

Supporting Statement for Paperwork Reduction Act Submissions
OMB Form 1510-0061
CMIA Annual Report and Direct Cost Claims

General Instructions

A Supporting Statement, including the text of the notice to the public required by 5 CFR 1320.5(a)(1)(iv) and its actual or estimated date of publication in the Federal Register, must accompany each request for approval of a collection of information. The Supporting Statement must be prepared in the format described below, and must contain the information specified in Section A below. If an item is not applicable, provide a brief explanation. When Item 17 of the OMB Form 83-I is checked "Yes", Section B of the Supporting Statement must be completed. OMB reserves the right to require the submission of additional information with respect to any request for approval.

Specific Instructions

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.

The information collection (CMIA Annual Report) is required by P.L. 101-453 (Cash Management Improvement Act), as amended, and codified in 31 CFR 205.26. The information is necessary to determine interest liabilities related to the timely drawdown of Federal financial assistance to the States.

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.

The information is used by Treasury/FMS to determine interest liabilities related to the timely drawdown of Federal financial assistance to the States as prescribed by P.L. 101-453 (Cash Management Improvement Act), as amended, and codified in 31 CFR 205.26.

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 information collection report uses web-based information system technology – it was one of the first Federal government web-based information collection systems. It replaced a paper-based reporting process in 1998. This transition to a web-based data collection system significantly reduced the administrative/paperwork burden for States, Federal agencies and Treasury/FMS. Treasury/FMS enhances the report annually to comport with new technology, information security requirements, and customer feedback.

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.

There is no duplication – this is unique information that is specifically required by statute P.L. 101-453. The annual requirement for the collection of this information is prescribed in the statute. See response Item #2.

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 information collection requirement pertains exclusively to State governments. No information is directly or indirectly requested of small businesses. The report was designed cooperatively by Treasury/FMS and the States including small State governments and territories.

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 the information is not collected the provisions of the Department of the Treasury is in noncompliance with provisions of the Cash Management Improvement Act (P.L. 101-453). Unless there is a statutory change to the annual reporting requirement, there is no option to collect the information less frequently. The information collected in the annual report has resulted in the tangible collection of more than nearly \$500 million for the Treasury over the past 13 years.

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;**

Not applicable. The annual collection of information is prescribed by statute.

*** requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**

Not applicable. States are provided at least 45-days to complete the annual report.

*** requiring respondents to submit more than an original and two copies of any document;**
*** requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;**

Not applicable. States are required to submit only one signed report. Working copies are accessible via the internet.

*** in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**

Not applicable. The annual collection of information is prescribed by statute.

*** requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**

Not applicable. States are permitted to use actual data.

*** that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**

Not applicable.

*** requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

Not applicable.

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. Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported. Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years - even if the collection of information activity is the same as in prior periods. There

may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

A copy of the request for public notice is attached, Federal Register: April 28, 2011, Volume 76, Number 82, page 23859. No public comments were received.

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

Not applicable. The reasonable administrative costs associated with the preparation of the annual report are reimbursable under the provisions of the CMIA statute.

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

Not applicable.

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.

Not applicable. No such information is requested.

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. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.

* If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.

* Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 13.

Estimated Hours of Burden for Collection of Data Per Respondent: 393.5 hours

Range: 2 – 3,546 hours (variation related to number of grants received by the State; funding techniques; State information management systems)

Number of Respondents: 56 States & Territories

Administrative Burden Was Surveyed By Email and Telephone Request

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).

* The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as

purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.

* If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collections services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.

* Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.

Not applicable. No additional burden was incurred by respondents.

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.

Estimated Annualized Costs to the Federal Government for Collection & Review: \$420,000

Estimated Hours of Burden for Collection & Review of Data: 11,750 hours

Methodology: Estimated Annualized Costs and Estimated Hours of Burden are projected based on the percentage of monthly work hours generally dedicated by Treasury/FMS and other Federal program agency employees to the preparation and review of the collection information. The estimate also includes both dollars (\$5,000) and hours (100) provided by a contractor who supports the internet application. Other operating expenses such as equipment and overhead were estimated at \$25,000.

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

Not applicable. No program changes or adjustments were made.

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.

Not applicable. Information is not 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.

Not applicable. Publication of the OMB approval of information and expiration will be integrated in the web-based application.

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

19. There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods

The agency should be prepared to justify its decision not to use statistical methods in any case where such methods might reduce burden or improve accuracy of results. When Item 17 on the Form OMB 83-I is checked, "Yes," the following documentation should be included in the Supporting Statement to the extent that it applies to the methods proposed:

Not applicable.

1. Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent selection methods to be used. Data on the number of entities (e.g., establishments, State and local government units, households, or persons) in the universe covered by the collection and in the corresponding sample are to be provided in tabular form for the universe as a whole and for each of the strata in the proposed sample. Indicate expected response rates for the collection as a whole. If the collection had been conducted previously, include the actual response rate achieved during the last collection.

2. Describe the procedures for the collection of information including:

* Statistical methodology for stratification and sample selection,

* Estimation procedure,

* Degree of accuracy needed for the purpose described in the justification,

* Unusual problems requiring specialized sampling procedures, and

* Any use of periodic (less frequent than annual) data collection cycles to reduce burden.

3. Describe methods to maximize response rates and to deal with issues of non-response. The accuracy and reliability of information collected must be shown to be adequate for intended uses. For collections based on sampling, a special justification must be provided for any collection that will not yield "reliable" data that can be generalized to the universe studied.

4. Describe any tests of procedures or methods to be undertaken. Testing is encouraged as an effective means of refining collections of information to minimize burden and improve utility. Tests must be approved if they call for answers to identical questions from 10 or more respondents. A proposed test or set of test may be submitted for approval separately or in combination with the main collection of information.

5. Provide the name and telephone number of individuals consulted on statistical aspects of the design and the name of the agency unit, contractor(s), grantee(s), or other person(s) who will actually collect and/or analyze the information for the agency.