Supporting Statement for Paperwork Reduction Act Submissions

U.S. Agency for International Development (USAID)
Information Collection Request for the Partner Vetting System (PVS)

A. JUSTIFICATION
1. Explanation of necessity.
Information is collected from key individuals of non-governmental organizations (NGOs) who apply for USAID contracts, grants, cooperative agreements, other USAID funding, or who apply for registration with USAID as Private and Voluntary Organizations (PVO). The collection of this information is used to conduct screening of potential recipients to ensure that USAID-funded assistance does not inadvertently provide support to entities or individuals associated with terrorism.

The authority for this screening is provided in Executive Order 13224; Section 559 of the FY06 Foreign Operations Appropriations Act; 18 USC 2339A and 2339B. EO 13224 and 18 USC 2339A and 2339B apply to all USAID programs while Section 559 specifically addresses the West Bank/Gaza program. Additionally, Homeland Security Presidential Directive-6, "Integration and Screening Information to Protect against Terrorism" (Sept. 16, 2003) specifically provides the authority for information contained in this system to be shared for terrorist screening purposes.

2. Purpose of collection.
Information collected as part of the Partner Vetting System (PVS) will be used to screen NGOs and individuals that have applied for USAID funding assistance or those who apply for registration with USAID as Private and Voluntary Organizations (PVO).

The information will be collected from the NGOs that are applying for a USAID contract, grant or other funding assistance as well as all sub-recipients. The information may be collected electronically via an online form (the secure portal) however if the NGO does not have computer access, USAID will accept paper forms which are signed by the prime contractor verifying to the best of their ability the accuracy of the information provided by their sub-recipients. These forms will be collected by the USAID vetting unit at each Mission.

3. Use of information technology.
Wherever possible, USAID applicants will be able to submit application forms in an automated, electronic format. This currently includes the use of fillable application forms that can be emailed or faxed to the Mission vetting unit.. In the future, the vetting form completed via the secure portal a web-based application that can be filled out and submitted online. In cases where an NGO is unable to access a computer or the Internet, then a paper form may be submitted.

4. Duplication of effort.
In order to reduce duplication, the vetting form will be submitted as part of the overall USAID grants application package or as part of the bidding package for the contract or other funding mechanism. The information about the grant, the funding mechanism, and the NGO is already collected as part of the application process and that information will be used for this additional purpose. However, the grants/contract application process does not currently collect information on key officials of the NGOs; therefore, this additional information is needed in order to properly and effectively conduct screening.

While State and USAID will collect the same type of information from respondents (i.e. PII from the key individuals of contractors and grantees of each agency) State and USAID maintain separate databases and there will not be sharing information between the two agencies.

5. Impact on small businesses or other small entities.
This information collection does not have an impact on small businesses or other small entities.

6. Consequences to the Federal program.
If this information collection is not conducted, then USAID will be unable to use all available means to adequately screen applicants for federal funding assistance and risks inadvertently giving support to an individual or entity associated with terrorism. As for frequency, the information will be collected at the time of application for USAID funding assistance and will only be collected again if the contract or grant is a multi-year award, in which case it will be collected annually; if the key officials within the NGO change in which case it will be re-collected as soon as possible after the change; or if other unique circumstances warrant.

7. Explanation of special circumstances.
There are no special circumstances that apply to this information collection.

8. Solicitation of public comments.
The Agency published a 60 and 30 day *Federal Register* notice soliciting comments on this collection (June 17, 2011, 76 FR 35396 and December 7, 2011, 76 FR 76359, respectively). USAID's previous rule-making generated numerous comments regarding the proposed PVS program. Although those comments may be beyond the scope of the present PIF, the following are illustrative examples of comments received from the public that reflect their primary concerns.
Comment: Implementing partners expressed concern that providing personal information to USAID for vetting would result in foreign organizations concluding that the USAID contractor or recipient is collecting information on behalf of the US intelligence community and decline working with them.
Response: Organizations advancing humanitarian and foreign assistance operations adapt to requirements that are rationally founded. Due diligence for terrorism connections has increased substantially in the wake of 9/11 without jeopardizing

operations, and we believe that the demands of this program will not preclude our contractors' and grantees' ability to find subcontractors, subrecipients and/or employees abroad.

Comment: USAID does not have authority to engage in the PVS effort.

Response: Use of appropriated funds for a PVS pilot program has been authorized in several foreign operations appropriations acts.

Comment: The U.S. government classified lists of terrorists and terrorist organizations are inaccurate and suggest that our reliance on these lists will inevitably penalize organizations with no ties to terrorism.

Response: PVS is not a simple list checking operation, nor is it constrained by the need for near instantaneous turnaround required by the "no fly list," for example. The classified holdings of the U.S. government will be used along with other information available to USAID on the individuals being vetted to rule out terrorist ties, but these lists will not be the exclusive arbiter of our judgment. USAID will have both the time and the ability to look beyond the lists to the underlying data from other sources to both reduce the chance of false positives, and properly identify ties to terrorism.

9. Explanation of payment or gift to respondents.
USAID does not provide payment or gifts in exchange for a benefit sought.

10. Assurance of confidentiality.
The information collected about the key officials of these organizations is protected by the provisions of the Privacy Act of 1974. Any personally identifiable information will be protected in accordance with these provisions. For additional information, please refer to the Privacy Impact Assessment (PIA) or the Systems of Record Notice (SORN) for the Partner Vetting System published in the *Federal Register* on July 23, 2007, (72 FR 40110) described the manner in which PII furnished by respondents would be handled in full compliance with the Privacy Act.

11. Justification for any questions of a sensitive nature.
There are no questions of a sensitive nature.

12. Estimate of hour burden.
Annual Reporting Burden:

      a. 44,000 respondents

      b. 44,000 responses

      c. 11,000 burden hours

During the initial pilot program, it is estimated that approximately, 44,000 NGOs will apply for USAID funding assistance from pilot missions and will require vetting. Each NGO will submit one vetting form per grant application and each grant is typically for one year. Thus, the total annual responses are also estimated to be 44,000. The projected time per response for this information collection is 1.0 minutes for reporting

and.25 minutes for recordkeeping for a total of one-quarter hour per response. The total annual hours requested is 11,000. These numbers were calculated based on the fact that the NGOs were already providing the majority of information utilized for screening. The calculations take into the account the additional pieces of information required.

The collection is essentially a clerical task involving employees whose wage rates we estimate at somewhere between $10 and $15 dollars per hour yielding a range of cost of $110,000.00 to $165,000.00 for all respondents combined.

13. Estimate of cost burden.
There are no start-up, capital, operation, maintenance, or recordkeeping costs to respondents as a result of this collection.

14. Annualized costs to Federal government.

a. Total Capital Database Development Costs

1. Software Development Labor	$300,000
2. Travel and Training	$25,000
3. Other Direct Costs	$20,000
Total Capital and Start-up Costs	$345,000

b. Operation and maintenance (O&M) costs

1. USAID/SEC Labor	$590,720
2. Mission Labor	$1,112,800
3. Software Development and Integration	$100,000
Total O&M costs	$1,803,520
c. Total cost burden	$2,148,520

The capital and start-up costs were estimated based on the current costs associated with the development of the PVS for the West Bank/Gaza (WBG) and Afghanistan Missions, as well as the planned pilot countries, to include development of a Secure Portal.   The software development labor, development fees, travel, training and other direct costs are the actual costs incurred during the database development life cycle.

Therefore, the total capital and start-up costs of $2,148,520 captures all costs associated with gathering requirements, designing, developing, testing and evaluating the PVS database and Secure Portal. In addition, this cost also includes the licensing fees associated with the Oracle database used to support PVS, system maintenance, and integration with the USAID intranet. The operation and maintenance costs were based on two components: the costs of labor associated with the vetting process and costs associated with systems development and integration.

Labor costs were calculated based on four full-time positions that reside in the USAID Office of Security (SEC). The positions are at the GS 13 level; therefore, we used the hourly rate for a GS-13, Step 10 ($56) and multiplied by 28 percent to account for benefits which equaled (after rounding) a total hourly rate of $71.00.

Hourly Rate for SEC Employee	x	Hours per year	x	Positions	=	Total
$71	x	2080	x	4	=	$590,720

The labor costs associated with collecting information from the NGO respondents was calculated based on estimates from the existing ad hoc screening programs. The primary Vetting Officials are expected to spend 100 percent of their time on information collection, recordkeeping and coordination of the vetting process and results; therefore, based on the standard hours per year (2080) and a   wage rate of $71; the labor costs equal.

Hourly Rate for Vetting Official	x	Hours per year	x	Positions	=	Total
$71	x	2080	x	5	=	$738,400

In addition to the vetting coordinator, the pilot missions are expected to utilize Foreign Service National (FSN) team members to assist the Vetting Official. At an average wage rate of $36, the labor costs for an FSN position equal.

Hourly Rate for FSN Program Officers	X	Hours per year	x	Positions	=	Total
$36	X	2080	x	5	=	$374,400

  Therefore, the total mission-related costs associated with vetting are $1,112,800.

The PVS database will run on our current computer network, however, additional servers may be required to support the Secure Portal application. There will be continued systems integration costs as the database is expanded and additional software development costs will be incurred to make the database capable of supporting multiple missions and adding other features such as reporting mechanisms. At this time, we estimate those costs to equal approximately $445,000.

The estimated costs in FY2012 for the continued development and implementation of the vetting program are $2.2 million as outlined above. The majority of the costs are associated with the IT infrastructure development and designing a database that will allow multiple mission users to access the system as well as a Secure Portal to permit secure on-line entry of data by partners. IT costs will decrease substantially in the years after FY2012 and we envision personnel costs to remain roughly stable with slight increases, assuming more missions begin using the system.

Also, it is important to note that this program is the initial pilot and we will need to evaluate the program after this first phase to determine whether or not the current structure and costs are appropriate. After the initial review, we will be better able to estimate the annualized costs of this information collection.

15. Program changes.
The form required to collect information from potential USAID grant applicants is a new collection. The cost burden is calculated taking into consideration the current capital costs associated with software development, labor, hardware and software, and licenses required to deploy and implement the new Partner Vetting System.

16. Published results.
USAID does not intend to publish the results from this collection of information.

17. Waiver of display of expiration date.
USAID is not requesting a waiver of the display of the expiration date of OMB approval.

18. Exception to the certification statement.
USAID does not request an exception to the certification of this information collection.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS
USAID will not employ statistical methods for this information collection.

C. CERTIFICATION AND SIGNATURES