

SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT SUBMISSIONS
3133-NEW
NCUA Vendor Registration Form
November 2012 (v. 2)

A. Justification

For a Collection of Information by the National Credit Union Administration

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 of each regulation mandating or authorizing the collection of information.

Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) calls for NCUA (the “Agency”) to promote the inclusion of minority-owned and women-owned firms in the Agency’s business activities. An excerpt of Public Law 111-203 (July 21, 2010) explains the definition for minority-owned and women-owned businesses as (see numbers 4 and 6):

(g) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) AGENCY.—The term “agency” means—

(A) the Departmental Offices of the Department of the Treasury;

(B) the Corporation;

(C) the Federal Housing Finance Agency;

(D) each of the Federal reserve banks;

(E) the Board;

(F) the National Credit Union Administration; (G) the Office of the Comptroller of the Currency; (H) the Commission; and

(I) the Bureau.

(2) AGENCY ADMINISTRATOR.—The term “agency administrator” means the head of an agency.

(3) MINORITY.—The term “minority” has the same meaning as in section 1204(c) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1811 note).

(4) MINORITY-OWNED BUSINESS.—The term “minority-owned business” has the same meaning as in section 21A(r)(4)(A) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(r)(4)(A)), as in effect on the day before the transfer date.

(5) OFFICE.—The term “Office” means the Office of Minority and Women Inclusion established by an agency under sub-section (a).

(6) WOMEN-OWNED BUSINESS.—The term “women-owned business” has the meaning given the term “women’s business” in section 21A(r)(4)(B) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(r)(4)(B)), as in effect on the day before the transfer date.

The Dodd-Frank Act also requires NCUA to annually report to Congress the total amounts paid to minority- and women-owned businesses. In order to comply with this Congressional mandate, NCUA needs to collect certain information from its current and potential vendors, so that it can identify businesses that meet the criteria that must be reported to Congress. The section within the Dodd-Frank Act that makes it necessary to collect this information is as follows:

Section 342(e)(2) Reports – Each Office shall submit to Congress an annual report regarding the actions taken by the agency and the Office pursuant to this section, which

shall include – the percentage of the amounts described in paragraph (1) that were paid to contractors described in subsection(c)(1) [minority-owned and women-owned businesses].

2. Indicate how, by whom, how frequently, 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 vendor information is to be submitted to the agency on a one-time basis through a one-page vendor form. The information provided will be used to assign an ownership status to the vendor (i.e., minority-owned business, woman-owned business) per the requirements of the Act. Once an ownership status is assigned to each vendor, NCUA will be able to calculate the total amounts of contracting dollars paid to minority-owned and women-owned businesses.

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.

Although this collection can and may be completed in manual, paper form, this collection will involve the use of automated, electronic, or other technological collection techniques. NCUA plans to make this form available on its public website (www.ncua.gov) to facilitate its access to the vendor community. The electronic form will be fillable online to ease the completion of the form, and will include a “Submit” button that the vendor can select to allow the form to be sent to NCUA electronically. The use of this electronic format significantly reduces the burden to vendors by avoiding having to print, manually complete, and then fax or email the form. The latter would take significantly longer than the proposed electronic form.

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.

The only other possible source for this information is the Central Contractor Registration (“CCR”) (www.ccr.gov). CCR is the federal government’s registry for federal vendors. Registration in CCR is required of all vendors seeking and performing contracts with federal agencies subject to the Federal Acquisition Regulation (“FAR”). CCR captures information related to a firm’s ownership type (e.g., whether minority-owned or woman-owned). NCUA is not a FAR agency, so its vendors are not required to register in CCR. As such, NCUA cannot reliably count on or use the CCR as a means of obtaining the information that Congress requires. Additionally, registration in CCR tends to be a time-consuming and complex process. NCUA’s vendor registration form alleviates the

burden on its vendors by allowing them to provide significantly less information in a brief and simple format.

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 requested by this collection is required to be supplied only once by each vendor. The one-page form is brief and asks for simple, readily available information. This is a minimal burden. Additionally, NCUA plans to make this registration available electronically in a format that allows vendors to complete and submit online, without requiring any printing, manual entries, or faxing.

6. Describe the consequences 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.

Without the implementation and use of the vendor registration form, NCUA would not be able to capture the type of information that Congress is requiring under the Dodd-Frank Act. NCUA needs to be able to know the ownership classification of each of its vendors to be able to comply with Dodd-Frank. The collection is only necessary once from each vendor. There are no technical or legal obstacles to reducing burden.

7. Explain any special circumstances that would cause an informational collection to be conducted in a manner:

- **requiring respondents to report information to the agency more often than quarterly;**
- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **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;**
- **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;**
- **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**

- that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by the 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
- requiring respondents to submit proprietary trade secret, 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.

None – the collection is conducted within the Guidelines.

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 mitigate against consultation in a specific situation. These should be explained.

A filing in the Federal Register is not required at this time, since this request is for an emergency clearance. However, NCUA will comply with all PRA requirements for permanent approval of this form.

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

There is no decision to provide any payment or gift to respondents.

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

The provision of the vendor registration form on the part of interested vendors is voluntary and for generic vendor information that does not require any assurances of confidentiality.

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.

There are no questions of a sensitive nature.

12. Provide estimates of hour burden of the collection of information. The statement should:

- **Indicate the number of respondents, frequency of response, annual hour burden, and 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 14.**

Based on NCUA's recent experience, the agency projects that approximately 1,000 vendors will annually submit this voluntary vendor registration form. The time estimated to complete the form is approximately 10 minutes. Since the information that is requested is general and readily available to the vendor / respondent, the hour burden should be the same and consistent across the vast majority of the vendors.

Assuming an individual's annual income of \$42,000 (approximate per capita income in the U.S) and total labor of 2,000 hours per year, the hourly rate would be \$21. A ten-

minute session to complete the form constitutes 1/6 of an hour. As such, the cost per individual to complete the form would be approximately \$3.50. Assuming 1,000 vendors complete and submit this form, the total cost would be \$3,500. This cost should be considered a “start-up” cost, since the form is to be submitted one-time only. There are no annualized or subsequent costs associated with this vendor registration form.

This request for approval covers only one one-page form.

13. Provide an estimate of the total annual cost burden to respondents or record keepers 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 this 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 storage facilities.**
- **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for variance. The cost of purchasing or contracting out information collection 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 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.**

Hour burden estimated in item 12 above.

14. Provide estimates of annualized cost 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 also may aggregate cost estimates from Items 12, 13, and 14 in a single table.

There is no annualized cost to the Federal Government in collecting this vendor registration form information, since it consists of a static set of information that does not require a review process. Upon submission, NCUA plans to have the vendor information flow automatically to a vendor database. Eventually, the vendor database will be used as a reference database to identify the types of vendors (i.e., minority-owned and women-owned) performing contracts for NCUA. The collection of this information itself, using the automated online form, does not cause the agency to incur an additional expense.

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

There are no program changes or adjustments as this is a new collection.

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.

There are no plans for publication of individual vendor results. NCUA is required to provide a report to Congress regarding the total amounts paid to firms that have been identified as minority-owned and women-owned. This report to Congress is made public; however, the individual vendor information provided by NCUA vendors 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.

We are not seeking to not display the expiration date for OMB approval.

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

There are no exceptions to the certification statement.