

THE SUPPORTING STATEMENT (1/2013)

A. Justification

1. Circumstances Making the Collection of Information Necessary

The Administration for Children and Families (ACF) is authorized to collect and report the information requested under this form by the Child Care and Development Block Grant Act of 1990, as revised. Regulations at 45 CFR 98.65(g) indicate that the Secretary shall require financial reports as necessary.

2. Purpose and Use of the Information Collection

State (and Territorial) agencies with approved State plans for implementation of the CCDF program report the data on a quarterly basis. The form provides specific data regarding claims and provides a mechanism for States to request grant awards and certify the availability of State matching funds. Failure to collect this data would seriously compromise ACF's ability to monitor expenditures. This information is also used to estimate outlays and may be used to prepare ACF budget submissions to Congress.

3. Use of Improved Information Technology and Burden Reduction

ACF has developed a forms database that allows electronic data entry for the ACF-696 over the internet. In addition, an electronic copy of the ACF-696 form is available via the internet and, upon request, e-mail attachment.

4. Efforts to Identify Duplication and Use of Similar Information

Information collected in this report is/will not be available through any other Federal source. No similar available information has been identified.

5. Impact on Small Businesses or Other Small Entities

These forms apply only to State, and Territorial governments. Small businesses are not involved.

6. Consequences of Collecting the Information Less Frequently

Financial management of the program would be seriously compromised if the expenditure data in the form (ACF-696) were collected on a less than quarterly basis. Federal policy presumes the strictest controls on funding documentation in support of State claims for reimbursement.

7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5

No special circumstances are noted for this request for information collection.

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

The Federal Register Notice soliciting comments on the information collection was published on October 26, 2012. When the Federal Register Notice was published, an email to all ACF Regional Offices forwarded a copy of the Notice with instructions to the Regional Office to share the Notice with all CCDF grantees. Additionally, the email detailed the changes to the report form ACF-696. ACF Regional Offices have ongoing discussions with States, and Territories about the ACF-696 financial reporting requirements. One comment was received.

During the public comment period, ACF received a comment from New York stating that “additional limitations of flexibility on CCDF funds will inhibit us from operating programs in the best interests of NYS’ diverse client population.” They recommend that “ACF should continue to allow the states to continue using CCDF funds with the most flexibility and allow for reporting to be done as in the past.” However, the comment does not provide further detail on how the proposed changes would limit flexibility. Except for removing the now obsolete ARRA column, there were no substantive revisions made to the form itself and the instructions were revised primarily to provide additional guidance and clarity for completing the form. ACF has not made any subsequent changes to the revised form and instructions because we do not feel that the proposed changes do not impose significant additional limitations on state flexibility.

9. Explanation of Any Payment or Gift to Respondents

No provision for payment or gift to respondents applies to this collection.

10. Assurance of Confidentiality Provided to Respondents

There are no data collected that require confidentiality.

11. Justification for Sensitive Questions

Data collected are not of a sensitive nature.

12. Estimates of Annualized Burden Hours and Costs

Instrument	Number of Respondents	Number of Responses per Respondent	Hours per Response	Total Response Burden
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ACF-696 CCDF Financial Reporting Form for States and Territories	56	4	4	896
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Total respondents of 56 with a total of 4 annual responses at 4 hours per response equals a total of 896 annual hours requested. Assuming the value of respondents' time is \$25 an hour, the estimated cost is \$22,400 (896 total hours X \$25.00). Burden hour estimates were made using past experience with the formerly approved form.

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

No additional costs should be associated with this collection that has not been included in questions 12 and 14.

14. Annualized Cost to the Federal Government

The cost to the Federal Government includes the initial electronic publication and database mapping for retention of information submissions which costs are estimated at approximately \$19,500 (\$6,500 per year for 3 years). Using these electronic methods cuts review time in half from approximately 1600 hours to approximately 800 hours which are required for the analysis and review of the form. At an estimated hourly cost of \$25, the total analysis cost to the government is \$20,000. Estimated total cost to the Federal Government is \$39,500.

15. Explanation for Program Changes or Adjustments

Because of ARRA expiration there are reductions in the reporting burden.

16. Plans for Tabulation and Publication and Project Time Schedule

**These data are published on the Office of Child Care website:
www.acf.hhs.gov/programs/occ.**

17. Reason(s) Display of OMB Expiration Date is Inappropriate

We will display the expiration date on the form.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

We are not aware of any exceptions to the certification statement identified on Item 19.

B. Statistical Methods (used for collection of information employing statistical methods)

Statistical methods are not included in this collection of information.