Supporting Statement FOR

Paperwork Reduction Act SubmissionS

OMB No. 1510-NEW

Application Form for U.S. Department of the Treasury
Stored Value Card (SVC) Program

FMS Form 2887

1. **Justifications.**

**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.**

Stored-Value Cards (SVCs) are smart cards with electronic value. The card's embedded computer chip contains the value. The technology eliminates coin, currency, scrip, vouchers, money orders, and other labor-intensive payment mechanisms in closed Government locations, such as military bases and ships at sea.

This information is collected under the authority in: 31 U.S.C. 321, General Authority of the Secretary of the Treasury; Pub. L. 104–134, Debt Collection Improvement Act of 1996, as amended; Department of Defense Financial Management Regulation (DoDFMR) 7000.14–R, as amended; 5 U.S.C. 5514, Installment deduction for indebtedness to the United States; 31 U.S.C. 1322, Payments of unclaimed trust fund amounts and refund of amounts erroneously deposited; 31 U.S.C. 3720, Collection of payments; 31 U.S.C. 3720A, Reduction of tax refund by amount of debt; 31 U.S.C. 7701, Taxpayer identifying number; 37 U.S.C. 1007, Deductions from pay; 31 CFR 210, Federal Government Participation in the Automated Clearing House; 31 CFR 285, Debt Collection Authorities under the Debt Collection Improvement Act of 1996; and E.O. 9397 (SSN), as amended.

**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**.

This form is used to collect information from individuals requesting enrollment in the Treasury SVC program, to obtain authorization to initiate debit and credit entries to their bank or credit union accounts to load value on the cards, and to facilitate collection of any delinquent amounts that may become due and owing as a result of the use of the cards.

The information on this form may be disclosed as generally permitted under 5 U.S.C. Section 552(a)(b) of the Privacy Act of 1974, as amended. It may be disclosed outside of the U.S. Department of the Treasury to its Fiscal and Financial Agents and their contractors involved in providing SVC services, or to the Department of Defense (DoD) for the purpose of administering the Treasury SVC programs. This information may only be disclosed to Federal, State, or local government agencies that have identified a need to access this information for only those uses that have been identified in Treasury/FMS’s System of Records Notice which was published in the *Federal Register* October 15, 2012, at 77 FR 62616, as TREAS/FMS .017.

**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.**

For the majority of the Treasury SVC program, only paper forms are used. The Treasury Navy Cash/Marine Cash SVC program has recently initiated a change to implement electronic signature capture and automated enrollment on a limited number of Navy ships. This new capability will be expanded to additional ships at the rate of about 20 to 25 ships each year, which will reduce the overall reporting burden for this collection of information. Hardcopy enrollment forms will no longer need to be packaged and sent to the Treasury Financial Agent to be scanned and stored on file electronically.

**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.**

This form is a critical element in the Treasury SVC program. A signed Application Form for U.S. Department of the Treasury Stored Value Card (SVC) Program is the enforceable agreement between the SVC program and the SVC cardholder and must be on file for every cardholder. By signing the form, cardholders authorize debits and credits to their bank and credit union account, consent to immediate collection from pay for any negative balances that result from use of the SVC, and authorize the Government to initiate debt collection procedures for amounts that remain or become due and owing from the use of the SVC.

**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 collection of information on this form applies only to individuals, not to small businesses or other small entities.

**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.**

Disclosure of the information requested on the form is voluntary; however, failure to furnish the requested information may significantly delay or prevent participation in the Treasury SVC program.

**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; \*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; etc.**

Not applicable. The Application Form for U.S. Department of the Treasury Stored Value Card (SVC) Program is only used to collect information from individuals when they request enrollment in the Treasury SVC program.

**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.**

A 60-day *Federal Register* notice was published February 28, 2013, at 78 FR 13760, soliciting comments from the public on the proposed new information collection under FMS Form 2887. 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.

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

The Privacy Act requires that agencies give the public notice of their systems of records by publication in the Federal Register. A System of Records notice for collection of Treasury SVC program-related information was published in the *Federal Register* on October 15, 2012, at 77 FR 62616, as TREAS/FMS .017. The Privacy Act prohibits the disclosure of information from a system of records absent the written consent of the subject individual, unless the disclosure is pursuant to one of twelve statutory exceptions.

The information on the Application Form for U.S. Department of the Treasury Stored Value Card (SVC) Program may be disclosed as generally permitted under 5 U.S.C. Section 552(a)(b) of the Privacy Act of 1974, as amended. It may be disclosed outside of the U.S. Department of the Treasury to its Fiscal and Financial Agents and their contractors involved in providing SVC services, or to the Department of Defense (DoD) for the purpose of administering the Treasury SVC programs. In addition, other Federal, State, or local government agencies that have identified a need to know may obtain this information for the purpose(s) as identified by FMS’s Routine Uses as published in the Federal Register.

Paper and electronic records in the field or on board ship are maintained in controlled areas accessible only to authorized personnel, e.g., the Disbursing Office or Finance Office. Physical entry is restricted by the use of locks and administrative procedures. Access to personal information is restricted to those who require the records in the performance of their official duties. Access to personal information stored electronically is further restricted by the use of user names and passwords (current) and Common Access Card (CAC) dual-factor authentication (future). All individuals granted access will have received Information Assurance and Privacy Act training.

Use of SVCs is protected by a Personal Identification Number (PIN). When a card is reported lost or stolen, the card is hot-listed, and the account is locked. No Personally Identifiable Information (PII) is store on the cards or is present on the transactions that are transmitted from the devices to Treasury Fiscal and Financial Agents for processing. PII needed to enroll individuals, such as SSN and PIN, is encrypted at the field level, in the files transmitted to Treasury Fiscal and Financial Agents, and on the servers on the backend. Enrollment files are encrypted with separate keys prior to transmission. Files exchanged between the field and the backend are encrypted. All files are stored encrypted on the field laptops / workstations and backend servers.

Records at Treasury Fiscal and Financial Agents are stored in office buildings protected by guards, controlled screening, use of visitor registers, electronic access, and locks. Access to records is limited to individuals who are properly screened and cleared on a need-to-know basis in the performance of their official duties. Passwords and role-based access are used to control access to the system data, and procedures are in place to deter and detect browsing and unauthorized access. Physical and electronic access are limited to persons responsible for servicing and authorized to use the record system.

**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.

**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.**

It is estimated that 60,000 individuals will request enrollment in the Treasury SVC program each year. The reporting burden for this collection of information is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The total annual burden is estimated to be 10,000 hours.

**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 Application Form for U.S. Department of the Treasury Stored Value Card (SVC) Program is available as an electronic file that can be printed on site as needed and filled out and signed manually by individuals requesting enrollment in the Treasury SVC program. The hardcopy application forms, signed by each applicant, are double-wrapped and forwarded to the Treasury Fiscal or Financial Agent by each field unit or Navy ship at least once every 30 days via traceable means, e.g., FedEx, UPS, registered mail. The total estimated cost to print the forms on site as needed and to ship the completed forms to the Treasury Fiscal or Financial Agent for processing is $45,000.

**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.**

The total estimated cost to print the forms on site as needed and to ship the completed forms to the Treasury Fiscal or Financial Agent for processing is $45,000 and is covered by the annual operating funds allocated to the units equipped with SVC systems by the individual Services within the Department of Defense. The costs to process the application forms are included in Treasury’s overall reimbursement to the Fiscal and Financial Agents to operate the SVC program.

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

The program changes represent the annual reporting burden and annualized costs to complete and process the Application Form for U.S. Department of the Treasury Stored Value Card (SVC) Program for the individuals requesting enrollment in the Treasury SVC program each year.

**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.**

No results will be 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.

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

Not applicable.

**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 extend that it applies to the methods proposed:**

No statistical methods are being employed for this collection of information.