

SUPPORTING STATEMENT

Direct Deposit Sign-Up Form - SF 1199A, Go Direct Sign Up Form - FMS-1200 (English/
Spanish), Direct Express Sign Up Form (Veterans) - FMS 1200VADE, Direct Express Sign Up
Form (Labor and Social Security and Supplemental Security) – FMS 1201L and FMS 1201S
OMB No. 1510-0007

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.**

In the Direct Deposit (DD) Program, Federal payments are directed to accounts maintained by recipients at financial institutions. There are two key pieces of information that are necessary in order to route these payments to the account at the financial institution. They are the depositor's account number and the financial institution's routing transit number. This information is used by Treasury, the Federal Reserve System, and the financial institution to route payments to the payee's account, and the remaining information collected allows program agencies to match the payee information to their payment records, and provides the identification and the means to contact those who have processed the SF 1199A, FMS Form 1200 (English/Spanish), FMS 1200VADE, FMS 1201L and FMS 1201S. The FMS 1200, 1200VADE, 1201L and 1201S specifically designed for the Go Direct Program has authentication elements added to identify the direct deposit enrollee. The information on these forms, and the certification of the payee and the joint account holders on the front of the forms, serve to verify their awareness of the legalities/stipulations incurred by their enrollment in the Direct Deposit and Direct Express Card Program. This information is collected by authority of 5 USC 301; 12 USC 391; 31 CFR 209 or 210; 31 USC 492.

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.**

See number 1 above.

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 that is collected on the Direct Deposit Sign-Up Form, Go Direct Sign-Up Form, and Direct Express Sign Up Forms may also be collected by telephone, on-line, and mail. All benefit agencies have procedures by which the payee may enroll in electronic funds transfer by calling either the agency, the Go Direct Call Center, or the financial institution.

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.**

To our knowledge there is no other information collection system, which collects and matches the recipients' names, depositor account numbers at the financial institutions, and routing transit numbers of these financial institutions. This matching must be carried out by the voluntary completion of this form (or by the methods described in number 3 above) by recipients and financial institutions.

This form seeks to collect only the most basic data, which allows us to route a payment appropriately, via electronic funds transfer (EFT).

5. **If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

NONE

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.**

In order to enroll recipients in the Direct Deposit Program it is a necessity that this information be collected. In addition, Public Law 104-134, the Omnibus Consolidated Rescissions and Appropriations Act of 1996, requires that virtually everyone who receives payments from the Federal Government receive them by electronic funds transfer by January 1, 1999. In December 2010, FMS issued a final rule to phase out benefit checks by March 1, 2013.

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.**

There are no special circumstances that would require that this information be collected in the manner described in any of the clauses of this section.

- 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 notice was published in the Federal Register on May 30, 2013, at 78 FR 32533, and no comment were received.

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

NA

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

The Right to Financial Privacy Act protects individuals from disclosure of their financial records by a financial institution to the Government. With certain exemptions under this Act, no financial institution record of information may be given to the Government by a financial institution without the consent of the individual. It is this situation, which requires us to collect the data originally rather than to attempt to gain reference to another source.

The personal identifier information collected on these forms are already collected and handled by two parties involved in the collection process: financial institutions and Federal agencies. It is presumed that they will continue to use existing methods of safeguarding this information. Privacy Act of 1974 information is printed on the reverse of the form in order that the recipient may read it.

- 11. Provide additional justification for any questions of a sensitive nature.**

There are no sensitive questions in the information collection.

- 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.**

Number of respondents- 406,715

Frequency of response- once

Annual hour burden- 67,786 hours (.17 hours per form)

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).

There are no costs to respondents other than mailing costs.

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.

Annualized costs to government:

Agency information collections mail handling- 30 secs. per form x GS-4/1 personnel cost \$11.75/hr. = .09	406,715 <u>x \$.09</u> \$36,604	\$36,604
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Advise and assist recipients in form completion- 5 min. for every 5th form x GS-8/2 personnel cost \$18.63/hr. = 1.55	\$18.63/hr. = \$1.55 12	
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$\frac{406,715}{5} = 81,343$	81,343 <u>x \$1.55</u> \$126,082	\$126,082
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Input data into payment system - 2 min. per form by GS-4/1 personnel cost	406,715 <u>\$ x .39</u>	
$\frac{\$11.75}{30} = \$.39$	\$158,618	\$158,618

Corrections, revisions, returns- 5 min. per every 10th form by GS-8/2	40,672 <u>x \$1.55</u> \$ 63,041	\$ 63,041
$\frac{\$18.63}{12} = \1.55		

$\frac{406,715}{10} = 40,672$		
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TOTAL \$384,345

Note: The forms are available on line and may be printed and filled out by the recipients for further processing. There is no cost to print the forms. The forms will be completed by recipients who wish to initiate the Electronic Funds Transfer of their Federal

payments. The form will also be used to change existing payment information such as the directing of payment to a different financial institution. Completion time for the forms is estimated at .17 hours per form (approximately 10 minutes for completion). This estimate is based on the conducting of tests in the office to determine completion time.

The estimates of respondents and burden hours are the result of the following factors:

- a. The number of recipients enrolling in DD/EFT. This program office has no control over the number of enrollments, and additionally, we hope to increase participation through marketing and system expansion effort;
- b. The use of this form to change existing DD/EFT payment information. We are continuing to decrease the use of this form for this purpose. The use of Notification of Change procedures for some of the payment information will decrease the use of this form for that purpose;
- c. Approximately 4.60% of our enrollees die each year. The replacement of these deceased participants does not contribute to a growth in enrollment; however, these replacements are actually new enrollments and must be counted as such.

15. Explain the reasons for any program changes or adjustments.

A recalculation of response time resulted in a slight decrease of 1,356 burden hours due to an adjustment in our estimates.

16. For collections of information whose results will be published, outline plans for tabulation and publication.

The results of the collection of this information will not 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.

We believe the public interest will be better served by not printing an expiration date on the form. Printing the expiration date on the form will result in increased costs because of the need to replace inventories that become obsolete by passage of the expiration date each time OMB approval is needed. Without printing the expiration date, supplies of the form could continue to be used.

Not printing the expiration date on the form will also avoid confusion among users who may have identical forms with different expiration dates in their possession.

For the above reasons, we request authorization to omit printing the expiration date on this form and permission to use previous versions of forms.

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

N/A

B. Collections of Information Employing Statistical Methods.

This information collection does not employ statistical methods.