

**Supporting Statement For
OMB Clearance**

of

ADP & Services Condition for Federal Financial Participation (FFP)

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A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

This information collection is necessary to fulfill requirements of 45 CFR Part 95, Subpart F, State Systems Advance Planning Document (ADP) Process, which governs the process by which states may obtain approval from the U.S. Department of Health and Human Services (HHS) for federal financial participation (FFP) in the costs of acquiring ADP equipment and services.

2. Purpose and Use of the Information Collection

The purpose of this information collection is to assist HHS in determining if a state is eligible for FFP to acquire ADP system equipment and services. To do so, states must submit a proposal to HHS demonstrating sound project planning and management, and provide evidence that it is necessary for efficient and effective administration of HHS public assistance programs

3. Use of Improved Information Technology and Burden Reduction

HHS allows ADP documents to be transmitted by e-mail, and large files may be submitted by CD-ROM or DVD media.

4. Efforts to Identify Duplication and Use of Similar Information

There is no duplication or use of similar information because the ADP information collection is unique to HHS grant-in-aid programs.

5. Impact on Small Businesses or Other Small Entities

There is no impact on small businesses or other small entities.

6. Consequences of Collecting the Information Less Frequently

HHS requires annual updates for ADP. This not only reduces burdens to the state, but it also to permits states to allocate funds in their budgets for the state share of information technology (IT) expenditures. For those states with multi-year IT authority, the federal program offices have discretionary authority to approve federal funding for a longer period of time.

The consequences of not submitting the documentation for a system certification review will result in more time being spent on-site during review process and additional state staff would have to be available during the onsite review to respond to questions.

The consequence of not submitting the documentation for a waiver of the requirement for a single state 3atewide system or Alternative Systems Configuration is that the waiver could be reviewed or approved. Kentucky, the only remaining states with a waiver for an Alternative System Configuration, is required to summarize the status of waiver in each Annual APD submission, in order to keep the waiver valid.

The consequences of not submitting the documentation for an IV&V review is potential disapproval of the state APD, resulting in the suspension of funding for its statewide CSE system

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

Not applicable.

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

A notice of this proposed information collection was published in the *Federal Register* at 79 FR 6198; February 3, 2014, which allowed for a 60-day comment period for the public to submit in writing any comments about this information collection. We received one comment from Kansas Child Support Services.

Comment: While we agree that the PAPD is needed in the process of gaining approval for the anticipated expenditures for large projects or replacement systems we do not see a need to Flexibility, Usability, Business Intelligence and Management Reporting, Data Reliability and System Security, and Customer Access sections offer no value to the request for funds. The summary section can provide all that information in an overall statement.

Response: The Planning Advance Planning Document (PAPD) does not include the sections made reference to in the commenter’s statement. Please see pertinent federal regulations governing the APD process, and more specifically, the PAPD process at 45 CFR 95.610(a).

Comment: Because the states are putting their RFP’s out for bid the amounts listed in the APD are best estimates and have no reflection on the real cost and are just that estimates. The expenditures for both the Feasibility study and new system procurement are really unknown until the bids are awarded.

Response: We agree with the commenter’s statement that the estimated total project cost information required in a PAPD is only a best estimate and will be subject to change based on what actual bid prices are received from vendors. However, we strongly disagree with the commenter’s contention that the estimates “... have no reflection on the

real cost.” The responsible federal agencies use these estimates to assure all parties, state and federal, that due diligence was performed in the creation of the feasibility study and that, despite the total project cost being an estimate, for purposes of federal funding approval, that number can be considered a reasonable estimate for planning purposes. Failure by a state to develop a feasibility study that cannot be relied upon in terms of presenting a reasonable estimate of the total costs and benefits to be derived is not approvable, and will result in denial of approval of a state’s Implementation APD for project funding going forward.

Comment: It is not always clear what information is being expected in the preparation of document for the different sections. It would be helpful to have statements of expectation for each section.

Response: We agree with the commenter, and refer the commenter to our guidance document, “State Systems APD Guide” which will explain the purpose and content expectations for each section in an Advance Planning Document, as well as explain the various types of APD’s a state might need to prepare base on changing project circumstances. Interested individuals can access the guide from our website at: <http://www.acf.hhs.gov/programs/css/resource/state-systems-apd-guide>.

Comment: It would be of great benefit to the states to have an automated collection site that allowed the entry of the Steering Committee members, Key Personnel, Organization Chart for Planning, Task Ordered List of Planning, Total Project Cost Estimate, Conceptual Systems Design, IAPD Development and Planning Budget sections into a preformatted manner.

Response: We agree with the commenter that such an automated collection site could potentially have value. However, due to budget and other resource constraints, no such site is planned for at this time.

9. Explanation of Any Payment or Gift to Respondents

Not applicable.

10. Assurance of Confidentiality Provided to Respondents

Confidential information is not collected.

11. Justification for Sensitive Questions

Sensitive questions are not asked.

12. Estimates of Annualized Burden Hours and Costs

Table 12.1

Instrument	Number of Respondents	Number of Responses per Respondent	Average Burden Hours per Response	Total Burden Hours
RFP and Contract	54	1.5	4	324
Emergency Funding Request	5	.1	2	1
Biennial Reports	54	1	1.50	81
Advance Planning Document	34	1.2	120	4,896
Operational Advance Planning Document	20	1	30	600
Independent Verification and Validation (ongoing)	3	4	10	120
Independent Verification and Validation (semiannually)	1	2	16	32
Independent Verification and Validation (quarterly)	1	4	30	120
System Certification	1	1	240	240

Total Annual Burden Hours: 6,414

12.2. Respondents Cost for Hour Burden

The annualized cost to State respondents for the burden hours is based on the average wage rate of \$36.95 per hour. Cost per response is estimated to be \$0.0915(\$41.50/453.50 hours), which translates in to an average annualized cost per respondent of \$266,181 (\$41.50 x 6,414). The average annualized cost per respondent is \$1,538,618(\$266,181/173)

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

There are no additional direct costs to respondents.

14. Annualized Cost to the Federal Government

The estimated annual cost to the federal government is \$2,529,009. The cost is based on the approximate annual salaries of twenty-one GS-14 full time equivalent federal employees (14.0 which are CMS) required to oversee the ADP program, calculated as follows \$120,429 (average GS-14, step 5 salary) x 21 federal employees.

15. Explanation for Program Changes or Adjustments

The burden hours was adjusted to reflect the increase in respondent resulting from OCSE decision to move the information collection Computerized Support Enforcement Systems into this information collection approval request. The Computerized Support Enforcement Systems was previously approved information (OMB No. 0970-0421)

16. Plans for Tabulation and Publication and Project Time Schedule

Not applicable.

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

Not applicable.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

There are no exceptions to the certification statement.

SUPPORTING STATEMENT:

**PART B – COLLECTION OF INFORMATION EMPLOYING
STATISTICAL METHODS**

The information collection requirements outlined in this report do not employ the use of statistical methods.