

SUPPORTING STATEMENT
Financial Disclosure Report - Standard Form 714
OMB Control No. 3095-0058

1. Circumstances Making the Collection of Information Necessary.

Executive Order (E.O.) 12968, Section 1.3 requires that employees who have regular access to classified information, as specified in Section 1.3, (a), submit, as a condition of maintaining access to such information, relevant information concerning their financial condition.

In December 2011, the ODNI accepted responsibility from the Information Security Oversight Office (ISOO) to manage the continuation in existence of Standard Form 714: Financial Disclosure Report, in accordance with the responsibilities assigned to the Director of National Intelligence (DNI) as Security Executive Agent pursuant to E.O. 13467.

2. Purpose and Use of the Information. The Financial Disclosure Report collects information that is used to make determinations about individuals' access to classified information as specified in Section 1.3 (a) of E.O. 12968. The data may also be used as a part of a review process to evaluate individuals' continued eligibility for access to classified information or as evidence in legal proceedings. The Financial Disclosure Report may also be used to help law enforcement and counterintelligence professionals gather pertinent information in the preliminary stages of potential espionage and counterterrorism cases

3. Use of Information Technology and Burden Reduction. The DNI as Security Executive Agent encourages the heads of departments and agencies to direct subjects to complete and submit the information collection electronically. Departments and agencies retain the information electronically as well. The Department of Defense and the Intelligence Community have developed a software analysis tool for the information provided in the Standard Form 714, Financial Disclosure Report. This information technology tool assists counterintelligence professionals in assessing subjects' financial responsibility for purposes of determining eligibility for access to classified information as specified in Section 1.3(a) of E.O. 12968.

4. Efforts to Identify Duplication and Use of Similar Information. There is no duplication. The required data is collected and retained by the department or agency sponsoring the individual's access to classified information.

5. Impact on Small Businesses or Other Small Entities. The information requirements do not have a significant impact on small businesses or other small entities.

6. Consequences of Collecting the Information Less Frequently. The frequency of response is annual as specified in E.O. 12968.

7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5. The collection of information is consistent with the guidelines in 5 CFR 1320.5.

8. **Comments in Response to the Federal Register Notice and Efforts to Consult Outside Agency.** A Federal Register Notice was published on October 30, 2014 (FRN 2014-25846). No comments were received. The FRN requested an extension in effect of SF 714, no changes were proposed to the Form or its instruction. Therefore, no efforts were made to formally consult outside Agencies.

9. **Explanation of Any Payment or Gift to Respondents.** This information collection involves no remuneration to respondents.

10. **Assurance of Confidentiality Provided to Respondents.** Participating Government agencies retain and protect the Financial Disclosure Report pursuant to the Privacy Act, 5 U.S.C. 552a. The form becomes releasable only in accordance with Privacy Act provisions. This information is released only to authorized personnel having a need to know for official purposes. The completed form is stored in a secure manner, and when no longer needed (consistent with an applicable NARA retention schedule), it will be disposed of through secure destruction.

11. **Justification for Sensitive Questions.** E.O. 12968 requires collection of sensitive personal financial information in order to determine subjects' eligibility for access to classified information.

12. **Estimates of Hour Burden Including Annualized Hourly Costs.** The hour burden for individual respondents who submit a paper SF 714 or an electronic inquiry is estimated as follows:

<i>Form of Request From Respondents</i>	<i>Number of Respondents</i>	<i>Responses per Respondent</i>	<i>Minutes per Response</i>	<i>Annual Hour Burden</i>
Standard Form 714	86,000	1	120	172,000

The estimated number of respondents and time for the completion of the form is based on a data received from the primary agencies impacted by this form. The respondents represent contractors with security clearances.

13. **Estimate of Other Total Annual Cost Burden to Respondents or Recordkeepers.** The initial estimated cost for completing the SF 714 is \$7,134,560 based on the assumption that it takes a respondent, paid an hourly wage of \$41.48¹, two-hours (\$82.96) to complete the form for the first time. Subsequent annual updates should significantly reduce the cost burden. The number of respondents is based on a prior survey of primary agencies that identified potential respondents.

<i>Form of Request From Respondents</i>	<i>Number of Respondents</i>	<i>Minutes per Response</i>	<i>Respondent Cost</i>	<i>Annualized Cost For Hour Burden</i>
Standard Form 714	86,000	120	\$82.96	\$7,134,560

14. **Annualized Cost to the Federal Government.** There is no cost assigned to ODNI's responsibility as owner of the form. There is no cost (line item) specifically attributable to staff time required for review and administration of the form for the purpose intended..

¹ Hourly wage is estimated using the GS 12, Step 5 pay grade with Washington D.C. locality pay.

15. **Explanation for Program Changes or Adjustments.** There is no change in burden.
16. **Plans for Tabulation and Publication and Project Time Schedule.** The information collection is not used for statistical studies or publications.
17. **Reason(s) Display of OMB Expiration Date is Inappropriate.** None. ODNI will display the expiration date.
18. **Exceptions to Certification for Paperwork Reduction Act Submissions.** ODNI is not requesting any exceptions to the certification statement identified in Item 19, Certification for Paperwork Reduction Submissions, of OMB Form 83-I.