

# Supporting Statement

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*OMB Number 1530-0002*

*FS Form 150.1 – “Trace Request for EFT Payment”; and FS Form 150.2 “Trace Request for Direct Deposit”*

## **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.**

Upon notification of non-receipt of a Federal payment issued electronically through the Automated Clearinghouse (ACH), the issuing Federal Program Agency initiates a claim on non-receipt to the Bureau of the Fiscal Service. Fiscal Service in turn notifies the financial institution (FI) of the claim of non-receipt by sending them notice via the FS Form 150.1 or 150.2 and seeks resolution of the issue. Verification of payment posting is completed by the financial institution (FI) by utilizing the FS Form 150.1 and FS Form 150.2 forms. The FS Form 150.2 is used to trace payments within sixty (60) days of issuance while the FS Form 150.1 form is used to trace payments that are beyond sixty (60) days of issuance. Regulations require financial institutions to respond to Fiscal Service within three (3) business days after receipt of the 150.1 form. Financial institutions return one copy of the form to Treasury. This information is collected by authority of 5 U.S.C. 301; 12 U.S.C. 391; and 31 CFR Part 210.

- 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.**

The information is required to determine the validity of the non-receipt claims. The form is designed to help the FI locate any problem and to keep the payee/beneficiary informed of any action the FI takes. If the collection of information was not conducted, Treasury would not be able to respond to the non-receipt claim and could not be assured that payments are being credited properly by FIs.

It is important to note that there are two distinct non-receipt processes; the FS Form 150.1 and FS Form 150.2 process is a paper intensive process and the Teletrace process is a telephonic process.

The use of the FS Form 150.1 and FS Form 150.2 is based on a process whereby Fiscal Service mails claim forms to the financial institution to which the payment in question was directed. It is important to note that this process is primarily utilized by claims of non-receipt related to Internal Revenue Service (IRS) payments, in addition to other smaller payment types. The FS Form 150.1 and FS Form 150.2 display all of the pertinent

payment information to help the FI identify the payment. The financial institution completes the form, indicating the disposition of the payment and returns it to Fiscal Service.

The Teletrace process is a telephonic process by which Fiscal Service contacts financial institutions directly rather than utilizing the forms based process. The process is used for Social Security Administration (SSA), Supplemental Security Insurance (SSI) and Veteran's Administration (VA) claims of non-receipt, which represent the overwhelming majority of non-receipt claims. Fiscal Service still has access to the above-mentioned information but does not send it to financial institution via forms. It is a more automated and electronic method of resolving claims of non-receipt.

- 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 Teletrace process is a telephonic process by which Fiscal Service contacts financial institutions directly rather than utilizing the forms based process. The process is used for Social Security Administration (SSA), Supplemental Security Insurance (SSI) and Veteran's Administration (VA) claims of non-receipt, which represent the overwhelming majority of non-receipt claims. Fiscal Service still has access to the above-mentioned information but does not send it to financial institution via forms. It is a more automated and electronic method of resolving claims of non-receipt.

- 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.**

The computer generated forms are only generated upon receipt of a request from a Federal Program Agency to research payments in non-receipt claims. Individual case files are established for each claim as an internal control to avoid duplication.

- 5. If the collection of information impacts small businesses or other small entities (Item 5 or OMB Form 83-1), describe any methods used to minimize burden.**

All efforts were made to talk with small businesses and Federal program agencies prior to development of the subject forms in order to minimize the burden on them. The forms have been under continual review over the years of use and have undergone revisions when needed. There are no plans underway at this time to revise the 150 forms.

- 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.**

Frequency of collection cannot be controlled because information is requested by the program agency in response to a non-receipt claim initiated by the payee/beneficiary.

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.**

As described in answer 6 above, information is by the program agency in response to a non-receipt claim initiated by the payee/beneficiary, not annual, semi-annual, quarterly or on any other regularly timed basis.

Regulations require financial institutions to respond to Fiscal Service within 3 business days after receipt of the 150.1 form. Financial institutions return one copy of the form to Treasury. Financial institutions are no longer required to respond to the Fiscal Service for trace requests on payments that are less than 2 months old. They are still responsible to resolve the issue with the recipient who claimed non-receipt.

There is nothing in Federal Regulations which requires the financial institution to retain the form for a specified period of time. Once the transaction has been completed, the financial institution may choose to retain or destroy the form in accordance with their policies.

All other information under this category is N/A.

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 notice was published in the *Federal Register* on June 17, 2015, at 77 FR 34790. There were no comments received as a result of this notice.

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

There are no payments or gifts made to respondents.

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

Aside from protections contained in the Privacy Act, there is no guarantee of confidentiality.

- 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.**

There are no questions of a sensitive nature. A minimal amount of Personally Identifiable Information (PII) in this collection is necessary in order to properly research the claim of nonreceipt. An applicable System of Records Notice for this information was published October 15, 2012. System of Records Name: Treasury/FMS.002 – Payment Records—Treasury/FMS.

- 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.**

FS Form 150.1/ FS Form 150.2

Number of respondents:	26,895
Number of responses:	59,714
Annual hour burden:	7,962

Teletrace

Number of respondents:	26,895
Number of responses:	144,005
Annual hour burden:	19,201

Overall

Number of respondents:	26,895
Number of responses:	203,719
Annual hour burden:	27,163

The estimated time for a financial institution to complete the trace request is estimated at approximately 8 minutes.

The respondent figures represent the number of operating FIs in the United States. Nationwide, there are 26,895 routing and transit numbers active, which are all potential respondents to non-receipt claims. The number of responses is the volume of individual responses that are received from the FIs. The annual hour burden is the sum total of the time to complete the said volume of responses.

It is important to note that the respondents to the FS Form 150.1 and FS Form 150.2 are FIs, and are not representative of the processing costs incurred by Bureau of the Fiscal Service for administrating the process.

- 13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).**

As a result of conversations with several of financial institutions, it has been determined that there are no additional capital or start-up costs associated with this information requirement. The requested information is already available from most financial transactions processed during a normal business day. There are no operational or maintenance costs associated with this information collection.

- 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 cost to Federal Government is estimated at \$1,060,698.83. The cost is based on the following:

Labor –	
1 FTE @ GS-4/5 + Benefits	\$ 11,083.47
3 FTE @ GS-6/5 + Benefits	40,511.88
7 FTE @ GS-7/5 + Benefits	340,984.81
1 FTE @ GS-7/5 + Benefits	310,805.04
1 FTE @ GS-9/5 + Benefits	29,783.89
1 FTE @GS-9/5 + Benefits	76,048.34
Supervisor-	
2 FTE @ GS-7/5 + Benefits	\$ 26,640.43
2 FTE @ GS-8/5 + Benefits	117,903.80
1 FTE @ GS-12/5 + Benefits	63,807.74
1 FTE @ GS-13/5 + Benefits	32,781.84
Forms	23,400.00
Postage	<u>\$ 89,636.36</u>
	\$1,060,698.83

- 15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB 83-1I.**

No changes or adjustments are reported.

- 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.**

The results of the collection of this information will not be published for statistical use.

- 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 forms.

Printing the expiration date on the forms 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 FS Form 150.1 and FS Form 150.2.

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

There are no exceptions to the certification statement.

**B. Collections of Information Employing Statistical Methods**

This collection does not employ statistical methods.