Single Audit Focus Group

OS Generic Information Collection Request
OMB No. 4040-0017

Supporting Statement – Section A

Submitted: March 2016

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Section A – Justification

1. Circumstances Making the Collection of Information Necessary

Background

Public Law 113-101, The Digital Accountability and Transparency Act of 2014 ("DATA Act") expands the Federal Funding Accountability and Transparency Act of 2006 by increasing accountability and transparency in Federal spending. The purpose of the DATA Act is to enable taxpayers and policy makers to track the Federal spending of Federal agencies more effectively as well as to establish Government-wide data standards for financial data, simplify reporting for entities receiving Federal funds, and improve the quality of the data submitted. Section 5 of the DATA Act ("Sec. 5. Simplifying Federal Award Reporting") tasks the Director of the Office of Management and Budget (OMB) to establish a pilot program (Sec. 5 (b)).

Sec.5. (b)(2) requires pilot program to:

> (A) include a combination of Federal contracts, grants, and subawards, the aggregate value of which is not less than $1,000,000,000 and not more than $2,000,000,000;
>
> (B) include a diverse group of recipients of Federal awards; and,
>
> (C) to the extent practicable, include recipients who receive Federal awards from multiple programs across multiple agencies."

OMB has designated the Department of Health and Human Services (HHS) as the executing agent of the pilot program. Within HHS, the DATA Act PMO (DAP) has been established in order to implement this pilot program. DAP is requesting a generic clearance for the purpose of conducting tests under the pilot program to obtain qualitative and quantitative data and gain an understanding of the burden imposed on Federal recipients.

The Section 5 grants pilot program was launched in May 2015 and will conclude May 2017. The majority of data collection efforts related to the pilot tests will occur during calendar year 2016. This collection of information is necessary to enable DAP to garner feedback in an efficient, timely manner, in accordance with the project mission. Recipient outreach efforts will enable DAP to report findings and recommendations to OMB on standardized reporting elements, the elimination of unnecessary duplication, and the reduction of compliance costs for recipients of Federal funds.

2. Purpose and Use of the Information Collection

The DAP has designed several Test Models to evaluate recipient burden and assess quality of data. The goal of these Test Models is to determine whether new technology, processes, and

forms aid in reducing recipient burden and increase the accuracy and quality of the data submitted. Subsequent to the completion of the pilot, DAP is required to submit a report to OMB. The report will include a description of the test models and data collection process, assumptions and constraints that impacted the tests, testing results, and recommendations to improve standardization, eliminate duplication, and reduce compliance costs.

The Test Models relate to functions throughout the grant lifecycle; to include the initial application process, required financial reporting, and the Single Audit process. The Section 5 pilot participants will consist of organizations receiving Federal funds (recipients). A variety of methods (questionnaires, focus groups, etc.) could be used to collect data. DAP expects these questions to include, but not be limited to, topics pertaining to form completion,, the Consolidated Federal Financial Reports, and the expanded Single Audit form (SF-SAC). If this data is not collected, the requirements of the DATA Act Section 5 pilot will not be met. Additionally, vital feedback from recipients may not be available for consideration in future legislation related to data transparency and recipient burden reduction.

The instruments under this request meet the following criteria:

- Information gathered will yield qualitative or quantitative data;
- The collections are voluntary;
- The collections are low-burden for respondents (based on considerations of total burden hours, total number of respondents, or burden-hours per respondent) and are low-cost for both the respondents and the Federal Government;
- Any collection is targeted to the solicitation of information from respondents who will be subject to the legislation in the near future.

3. Use of Improved Information Technology and Burden Reduction

Data will be collected via in-person focus groups at advocacy organization events with which the participants already have a relationship. The sample for this data collection will be one of convenience. Where possible, focus groups will take place adjacent to activities in which participants may already plan to engage, in order to reduce their travel time and other aspects of burden. A laptop computer may be used to take notes during the discussions to save transcription time later.

4. Efforts to Identify Duplication and Use of Similar Information

No similar data has been gathered nor is being gathered from other sources known to the Agency. Since the DATA Act is new legislation and OMB designated HHS to execute the Section 5 pilot, no other Agency should be conducting similar collection efforts. This is a data-

gathering exercise that will allow the DAP to make informed analyses and recommendations in accordance with the mandate of the 2014 DATA Act.

5. Impact on Small Businesses or Other Small Entities

No small businesses will be impacted or involved in this data collection.

6. Consequences of Collecting the Information Less Frequently

This request is for an information collection where the data has not previously been collected elsewhere.

Participants will be asked to complete a questionnaire following a facilitated, focus group session.

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

There are no special circumstances with this information collection package. This request fully complies with the regulation 5 CFR 1320.5 and will be voluntary.

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

This data collection is being conducted using the Generic Information Collection mechanism through OMB No. 4040-0017.

9. Explanation of Any Payment or Gift to Respondents

No payment or gift will be provided to participants.

10. Assurance of Confidentiality Provided to Respondents

The Privacy Act does not apply to this data collection. All data will be de-identified so as not to reveal the respondent. No Personally Identifiable Information (PII) will be collected during this process. Participation in this questionnaire is strictly voluntary and the participants will be reminded of this fact at the beginning of the collection process. Additionally, all data will be aggregated to eliminate any possibility of individual data tracking.

11. Justification for Sensitive Questions

No information will be collected that is of a personal or sensitive nature. Prior to the discussion, participants will be informed that they may decline to respond to any question if they find it of a sensitive nature.

12. Estimates of Annualized Burden Hours and Costs

The estimate for burden hours is based on:

(1) Multiple facilitated discussions with an approximate total of 60 participating individuals.

Estimates for hourly burden are calculated as 80 percent of the Department of Labor (DOL) Bureau of Labor Statistics (BLS) 2014 mean hourly wage in the San Francisco-San Mateo-Redwood City Metropolitan Division ($33.34), retrieved from: http://www.bls.gov/regions/west/news-release/occupationalemploymentandwages_sanfrancisco.htm#. Based on the data and calculations, the mean hourly wage for participants would be $26.67. It also does not adjust for fact that some participants will not be in the labor market, taking the position that their time still has value. Table 12-A shows estimated burden and cost information.

Table 12-A: Estimated Annualized Burden Hours and Costs to Respondents

Type of Respondent	No. of Respondents	No. of Responses per Respondent	Average Burden per Response (in hours)	Total Burden Hours	Hourly Wage Rate	Total Respondent Costs
Single Audit Questionnaire	60	1	15/60	15	$27	$405

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

There will be no direct costs to the respondents other than their time to participate in the data collection.

14. Annualized Cost to the Government

The anticipated cost to the Federal Government is approximately $8,000. These costs are comprised of: operational expenses (e.g., salaries, system enhancements, IV&V), contractor payments and any other expense that is necessary to collect the information approved under this generic clearance.

15. Explanation for Program Changes or Adjustments

This is a new data collection.

16. Plans for Tabulation and Publication and Project Time Schedule

Information collected under this generic clearance provides useful information, but it may not yield data that can be generalized to the overall population. Findings and recommendations will be compiled in a report shortly after May 2017 (end date for Section 5 pilot program) and submitted to OMB. OMB is required to report to Congress at the conclusion of the pilot in 2017. Outside of the report to OMB, if it is deemed appropriate and necessary to disseminate information related to this data collection, DAP will follow the HHS "Guidelines for Ensuring the Quality of Information Disseminated to the Public," and will include specific discussion of the limitation of the qualitative results discussed above. DAP may also receive requests to release the information (e.g., congressional inquiry, Freedom of Information Act requests), and will comply with those requests, as appropriate.

Timeline:

Completion Date	Major Tasks/Milestones
March 2016 - May 2017	Conduct Focus Groups

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

We are requesting no exemption.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

There are no exceptions to the certification. These activities comply with the requirements in 5 CFR 1320.9.

REFERENCES

NA

LIST OF ATTACHMENTS – Section A

Note: Attachments are included as separate files as instructed.

A. Single Audit Focus Group Questionnaire
B. PowerPoint Presentation titled “DATA Act and Section 5 Grants Pilot Single Audit Test Model, HHS DATA Act Program Management Office (DAP)”