

**Section 5 Grants Pilot  
Notice of Award – Proof of Concept  
Test Model**

OS Generic Information Collection Request  
OMB No. 4040-0017

**Supporting Statement – Section A**

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**Program Official**

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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 grants track 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 Grants 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 Grants 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**

DAP collect data from focus groups (via conferences) and through an online survey (via webinar).

Data will be collected via in-person focus groups at conferences. 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.

DAP will conduct online webinars to allow participants the opportunity to complete the knowledge quiz and survey at their own worksite using their own equipment.

### **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 Grants 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**

The sample will include a diverse group of entities that receive Federal awards, including small entities. Therefore, it is possible that small entities will have the opportunity to provide feedback on NOA standardization.

#### **6. Consequences of Collecting the Information Less Frequently**

This request is for a data collection where the data has not previously been collected elsewhere. If DAP sampled less than the scheduled data collections, it is possible DAP would not meet the requirement of sampling a diverse group of Federal award recipients.

#### **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**

None of the records provided by the survey respondents will be retrieved by personal identifier, and the records arguably will not be about individuals (individuals providing responses will be points-of-contacts (POCs)/contacts for organizations, who will respond on behalf of their organizations). Although the responses solicited from and provided by respondents will contain personally identifiable information (PII), and some of that PII (i.e., contact information for the individuals serving as POCs) will or may be used by the DATA Act PMO (DAP) to contact the respondents (individual POCs) one-on-one to clarify or obtain more information about their responses, the DAP will not retrieve the responses by personal identifier. Even the existing

records about organizations that the DAP will use to create the distribution list, to solicit responses, will not be retrieved by personal identifier but will be retrieved by organization name.

**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) Focus group sessions with an approximate total of 50 total respondents.
- (2) On-line collection of data with an approximate total of 50 total respondents.

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#](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
NOA – POC	100	1	20/60	33.33	\$27	\$900

**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 after May 2017 (end date for Section 5 Grants 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:**

<b>Completion Date</b>	<b>Major Tasks/Milestones</b>
September 2016 – May 2017	Conduct Focus Groups, Administer remote test, and Analyze results.

**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. NOA – POC Participation Instructions and Data Collection Tool
- B. NOA – POC Data Collection Tool Answer Keys
- C. NOA – POC Questionnaire
- D. Standardized NOA Packet
- E. Non-Standardized NOA Packet
- F. NOA – POC Webinar Presentation