

DEPARTMENT OF TRANSPORTATION

1 INFORMATION COLLECTION SUPPORTING STATEMENT

Notice of Requirements and Procedures for Grantee & Supplier Payment Request Submission [2105-0564]

INTRODUCTION

This is to request the Office of Management and Budget's (OMB) renewed three-year approved clearance for the information collection entitled, "Proposed Information Collection Request; Notice of New Requirements and Procedures for Grantee & Vendor Payment Request Submission".

Part A. Justification

1. Circumstances that make the collection of information necessary. 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.

The overriding concept driving the request of this information from the public is the security of our financial system, Delphi, based upon the COTS Oracle Federal Financials applications. The Delphi eInvoicing module will enable the electronic submission of payment requests from Grantees and Suppliers. The primary guidance causing this collection is OMB M-04-04, E-Authentication Guidance for Federal Agencies, 12/16/03. Specific direction comes from NIST Special Publication 800-63-1, 12/08/08, and DOT CIO Guidance 2009-0002, e-Authentication and Access Control 05/04/09.

The implementation of Delphi eInvoicing supports the DOT Strategic Goal of Organizational Excellence. By allowing Suppliers and Grantees to enter payment requests, the Department can achieve workload efficiencies, provide better service and better control over budget execution, a better approval workflow, and allow better adherence to payment due dates. For the end-user, they will have a more robust and efficient interaction with the Department, by uploading their invoices directly to our system, having visibility to available funds, request approvals, and payment information.

At this time, this requirement is not applicable to DOT grant recipients requesting payment electronically through the National Highway Traffic Safety Administration's Grant Tracking System (GTS), the Federal Highway Administration's Rapid Approval State Payment System (RASPS), or Federal Transit Administration (FTA) grant recipients requesting payment through the Electronic Clearing House Operation System (ECHO-Web). These specific grantee users are excluded at this time because these OAs currently have a system in place to process electronic payment requests for these grantees and DOT would need to significantly customize the Delphi eInvoicing system in order to meet the business requirements of these OA grant programs (i.e. state formula grants, etc.). However, all of these DOT agencies also have grantees that currently

submit manual payment requests to the Department which will be all included in the scope of this effort.

2. How, by whom, and for what purpose is the information to be used. INDICATE HOW, BY WHOM, AND FOR WHAT PURPOSE IS 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 collected from the public for access to the system will be used to establish the identity of the applicant. Security mandates that each individual having access to a system have a unique system login. This enables auditability and traceability of individual transactions and helps to prevent fraud and abuse. The specific form requested through this effort will establish the identity of an individual. The information provided by the applicant will be used to support the creation of a Delphi user account. The information on the form will only be used for this purpose, and for potential future audit.

3. Extent of automated information collection. 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.

We have chosen a moderate level of technology to support the collection effort. This option is easy for the user, meets regulatory requirements, and is very low cost. Suppliers and Grantees can fill the form from within the PDF form, or they can print the form and fill it in by hand. This standard PDF form will be available to download via a link on the applicant's email invitation. The form will be notarized and mailed back to DOT. One alternative would be an entirely manual process, where a physical form would be mailed to the applicant, and then mailed back to DOT. This would be far too slow to add a new user to the system.

The other end of the spectrum would be an entirely automated process, where the applicant would be presented with a combination of challenge questions that only they would know from online records. While perhaps slightly easier for the user applicant, this option would require an outside service to provide the registration process and approval, and would require integration between the service and the COTS process in Delphi, which might cause a customization. This would be a higher cost and higher risk option, and would lengthen the development time significantly.

4. Describe efforts to identify duplication. 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 name and address and identifying information of a system user applicant might be available in other government systems, however it would not link that user to the DOT supplier number, which is key to system authorization of roles and data visibility. The applicant's invitation will have a unique PIN which they will transfer to the form, to limit the invitation to the specific applicant.

There is no known government-wide system that allows Agencies to establish electronic identities of non-government users (other than contractors), so the Delphi eInvoicing project must establish this information in order to provide secure access to the system.

5. Efforts to minimize the burden on small businesses. IF THE COLLECTION OF INFORMATION IMPACTS SMALL BUSINESSES OR OTHER SMALL ENTITIES, DESCRIBE ANY METHODS USED TO MINIMIZE BURDEN.

The specific data collection is from individuals, and is the same regardless of the size of the entity they represent. The user applicant form is very simple and does not require any data collection or calculation.

6. Impact of less frequent collection of information. 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.

The collection of this data is necessary only one-time from each individual registering to use the system. If the collection is not completed, we cannot establish the identity of the user, and we cannot allow them into the system.

7. Special Circumstances. 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;
- REQUIRING RESPONDENTS TO RETAIN RECORDS, OTHER THAN HEALTH, MEDICAL, GOVERNMENT CONTRACT, GRANT-IN-AID, OR TAX RECORDS FOR MORE THAN THREE YEARS;
- IN CONNECTION WITH A STATISTICAL SURVEY, THAT IS NOT DESIGNED TO PRODUCE VALID AND RELIABLE RESULTS THAT CAN BE GENERALIZED TO THE UNIVERSE OF STUDY;
- REQUIRING THE USE OF A STATISTICAL DATA CLASSIFICATION THAT HAS NOT BEEN REVIEWED AND APPROVED BY OMB;
- THAT INCLUDES A PLEDGE OF CONFIDENTIALITY THAT IS NOT SUPPORTED BY AUTHORITY ESTABLISHED IN STATUTE OR REGULATION, THAT IS NOT SUPPORTED BY DISCLOSURE AND DATA SECURITY POLICIES THAT ARE CONSISTENT WITH THE PLEDGE, OR WHICH UNNECESSARILY IMPEDES SHARING OF DATA WITH OTHER AGENCIES FOR COMPATIBLE CONFIDENTIAL USE; OR
- REQUIRING RESPONDENTS TO SUBMIT PROPRIETARY TRADE SECRET, OR OTHER CONFIDENTIAL INFORMATION UNLESS THE AGENCY CAN DEMONSTRATE THAT IT HAS INSTITUTED PROCEDURES TO PROTECT THE INFORMATION'S CONFIDENTIALITY TO THE EXTENT PERMITTED BY LAW.

There are no special circumstances applicable in this data collection.

8. Compliance with 5 CFR 1320.8(d). 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 THOSE COMMENTS. SPECIFICALLY ADDRESS COMMENTS RECEIVED ON COST AND HOUR BURDEN.

DESCRIBE EFFORTS TO CONSULT WITH PERSONS OUTSIDE THE AGENCY TO OBTAIN THEIR VIEWS ON THE AVAILABILITY OF DATA, FREQUENCY OF COLLECTION, THE CLARITY OF INSTRUCTIONS AND RECORDKEEPING, DISCLOSURE, OR REPORTING FORMAT (IF ANY), AND ON THE DATA

ELEMENTS TO BE RECORDED, DISCLOSED, OR REPORTED.

CONSULTATION WITH REPRESENTATIVES OF THOSE FROM WHOM INFORMATION IS TO BE OBTAINED OR THOSE WHO MUST COMPILE RECORDS SHOULD OCCUR AT LEAST ONCE EVERY 3 YEARS--EVEN IF THE COLLECTION OF INFORMATION ACTIVITY IS THE SAME AS IN PRIOR PERIODS. THERE MAY BE CIRCUMSTANCES THAT MAY PRECLUDE CONSULTATION IN A SPECIFIC SITUATION. THESE CIRCUMSTANCES SHOULD BE EXPLAINED.

The 60-day Federal Register Notice was published on Thursday, October 29, 2015 in Volume 80, page 66615. There were no comments received from the public for this notice. The 30-day Federal Register Notice was published on Friday, February 26, 2016 in Volume 81, page 9944.

9. Payment or gifts to respondents. EXPLAIN ANY DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS, OTHER THAN REMUNERATION OF CONTRACTORS OR GRANTEES.

There are no incentives provided to respondents.

10. Assurance of confidentiality. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS AND THE BASIS FOR THE ASSURANCE IN STATUTE, REGULATION, OR AGENCY POLICY.

No assurances of confidentiality are given. In the form's Privacy Act Statement, we express the intended use of the information, which is to establish the applicant's identity, and that it is intended solely for that purpose. However, we make no claims of pure confidentiality.

11. Justification for collection of sensitive information. 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 systems or questions of a sensitive nature that are included in this process.

12. Estimate of burden hours for information requested. 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. UNLESS DIRECTED TO DO SO, AGENCIES SHOULD NOT CONDUCT SPECIAL SURVEYS TO OBTAIN INFORMATION ON WHICH TO BASE HOUR BURDEN ESTIMATES. CONSULTATION WITH A SAMPLE (FEWER THAN 10) OF POTENTIAL RESPONDENTS IS DESIRABLE. IF THE HOUR BURDEN ON RESPONDENTS IS EXPECTED TO VARY WIDELY BECAUSE OF DIFFERENCES IN ACTIVITY, SIZE, OR COMPLEXITY, SHOW THE RANGE OF ESTIMATED HOUR BURDEN, AND EXPLAIN THE REASONS FOR THE VARIANCE. GENERALLY, ESTIMATES SHOULD NOT INCLUDE BURDEN HOURS FOR CUSTOMARY AND USUAL BUSINESS PRACTICES.**
- **IF THIS REQUEST FOR APPROVAL COVERS MORE THAN ONE FORM, PROVIDE SEPARATE HOUR BURDEN ESTIMATES FOR EACH FORM AND AGGREGATE THE HOUR BURDENS.**
- **PROVIDE ESTIMATES OF ANNUALIZED COST TO RESPONDENTS FOR THE HOUR BURDENS FOR COLLECTIONS OF INFORMATION, IDENTIFYING AND USING APPROPRIATE WAGE RATE CATEGORIES. THE COST OF CONTRACTING OUT OR PAYING OUTSIDE PARTIES FOR INFORMATION COLLECTION ACTIVITIES SHOULD NOT BE INCLUDED HERE. INSTEAD, THIS COST SHOULD BE INCLUDED IN ITEM 14.**

This collection requires a one-time response from each individual. As new grants and contracts are awarded, new users requiring access to the Delphi eInvoicing system would complete the account request forms and have them notarized. Any user that has already completed the process would not be required to resubmit the forms. Since the Delphi eInvoicing system was implemented in 2012, there have been approximately 4,700 users registered DOT-wide. Now that the initial implementation is complete, there will be a decline in the number of new users that need to register to use the system. Of the 4,700 users registered in 2012 and 2013, only 1,100 were registered in 2013. Therefore, we anticipate that DOT will register approximately 1,000 new users annually going forward or 3,000 users total during the 3-year OMB forms approval period being requested. In our Federal Register Notice, we estimated 2 hours to complete the process (complete forms and obtain notary services).

From the cost perspective, there is a potential cost of a Notary Public to provide services. State Notary fees range between \$0.50 to \$10.00 per action, but average around \$5.00 per action. However, many grantee organizations (universities, governments, local authorities) and contract suppliers would likely have on-site Notary Services. In addition to potential Notary costs, there will be a cost to mail the form back to DOT. Using First Class USPS mail with a certified mail option is less than \$5. Additionally, if there are multiple forms from the same organization, they

can be grouped and sent in the same envelope.

We believe that any initial costs will be offset by the reduction in manual processes for the supplier, grantee and the Department once system access is granted. By allowing Suppliers and Grantees to enter and submit payment requests electronically, the Department can achieve workload efficiencies, provide better service and better control over budget execution, and allow better adherence to payment due dates. The end-user will have a more robust and efficient interaction with the Department, by having visibility to available funds, payment request approvals, and payment information. In addition, suppliers and grantees would no longer incur mailing costs from the submission of paper invoices to the Department.

13. Estimate of the total annual costs burden. PROVIDE AN ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS OR RECORDKEEPERS RESULTING FROM THE COLLECTION OF INFORMATION.

-THE COST ESTIMATES SHOULD BE SPLIT INTO TWO COMPONENTS: (A) A TOTAL CAPITAL AND START-UP COST COMPONENT (ANNUALIZED OVER ITS EXPECTED USEFUL LIFE); AND (B) A TOTAL OPERATION AND MAINTENANCE AND PURCHASE OF SERVICES COMPONENT. THE ESTIMATES SHOULD TAKE INTO ACCOUNT COSTS ASSOCIATED WITH GENERATING, MAINTAINING, AND DISCLOSING OR PROVIDING THE INFORMATION. INCLUDE DESCRIPTIONS OF METHODS USED TO ESTIMATE MAJOR COSTS FACTORS INCLUDING SYSTEM AND TECHNOLOGY ACQUISITION, EXPECTED USEFUL LIFE OF CAPITAL EQUIPMENT, THE DISCOUNT RATE(S), AND THE TIME PERIOD OVER WHICH COSTS WILL BE INCURRED. CAPITAL AND START-UP COSTS INCLUDE, AMONG OTHER ITEMS, PREPARATIONS FOR COLLECTING INFORMATION SUCH AS PURCHASING COMPUTERS AND SOFTWARE; MONITORING, SAMPLING, DRILLING AND TESTING EQUIPMENT; AND RECORD STORAGE FACILITIES.

-IF COST ESTIMATES ARE EXPECTED TO VARY WIDELY, AGENCIES SHOULD PRESENT RANGES OF COST BURDENS AND EXPLAIN THE REASONS FOR THE VARIANCE. THE COST OF PURCHASING OR CONTRACTING OUT INFORMATION COLLECTION SERVICES SHOULD BE A PART OF THIS COST BURDEN ESTIMATE. IN DEVELOPING COST BURDEN ESTIMATES, AGENCIES MAY CONSULT WITH A SAMPLE OF RESPONDENTS (FEWER THAN 10), UTILIZE THE 60-DAY PRE-OMB SUBMISSION PUBLIC COMMENT PROCESS AND USE EXISTING ECONOMIC OR REGULATORY IMPACT ANALYSIS ASSOCIATED WITH THE RULEMAKING CONTAINING THE INFORMATION COLLECTION, AS APPROPRIATE.

-GENERALLY, ESTIMATES SHOULD NOT INCLUDE PURCHASES OF EQUIPMENT OR SERVICES, OR PORTIONS THEREOF, MADE (1) PRIOR TO OCTOBER 1, 1995, (2) TO ACHIEVE REGULATORY COMPLIANCE WITH REQUIREMENTS NOT ASSOCIATED WITH THE INFORMATION COLLECTION, (3) FOR REASONS OTHER THAN TO PROVIDE INFORMATION OR KEEP RECORDS FOR THE GOVERNMENT, OR (4) AS PART OF CUSTOMARY AND USUAL BUSINESS OR PRIVATE PRACTICES.

This collection requires a one-time response from each individual. As new grants and contracts are awarded, new users requiring access to the Delphi eInvoicing system would complete the account request forms and have them notarized. Any user that has already completed the process would not be required to resubmit the forms.

There is a potential cost of a Notary Public to provide services. State Notary fees range between \$0.50 to \$10.00 per action, but average around \$5.00 per action. However, many grantee organizations (universities, governments, local authorities) and contract suppliers would likely have on-site Notary Services. In addition to potential Notary costs, there will be a cost to mail the form back to DOT. Using First Class USPS mail with a certified mail option is less than \$5. Additionally, if there are multiple forms from the same organization, they can be grouped and sent in the same envelope.

This is a one-time cost for each individual respondent. Cost to individual respondents should be less than \$10 (\$5 notary fees + \$5 shipping fees) as described in item 13. Total costs for all respondents should not exceed (\$10 x 3,000 = \$30,000.)

14. Estimates of costs to the Federal Government. PROVIDE ESTIMATES OF ANNUALIZED COST TO THE FEDERAL GOVERNMENT. ALSO, PROVIDE A DESCRIPTION OF THE METHOD USED TO ESTIMATE COSTS, 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.

We determined that it would take our support staff (FAA Pay Band G) approximately 3 minutes to review and input a user registration form or 20 forms/hour. The hourly cost for our support staff is \$49.83/hour, so the cost per registration form would be $\$49.83/20 = \2.49 . Therefore, we estimate the total cost of support staff to the Federal Government to be \$7,470 (3,000 users x \$2.49/form).

15. Explanation of the program change or adjustments. EXPLAIN THE REASONS FOR ANY PROGRAM CHANGES OR ADJUSTMENTS REPORTED IN QUESTIONS 12 OR 13.

The Delphi eInvoicing system was implemented in 2012. We initially estimated that we would register 11,000 users during implementation. To date, there have been approximately 4,700 users registered DOT-wide. Now that the initial implementation is complete, there will be a decline in the number of new users that need to register to use the system. Of the 4,700 users registered in 2012 and 2013, only 1,100 were registered in 2013. Therefore, we anticipate that DOT will register approximately 1,000 new users annually going forward or 3,000 users total during the 3-year OMB forms approval period being requested. In our Federal Register Notice, we estimated 2 hours to complete the process (complete forms and obtain notary services).

The cost per registrant remains unchanged from our initial estimate and shall continue to be less than \$10 (\$5 notary fees + \$5 shipping fees) as described in item 13. Therefore, total costs for all respondents should not exceed ($\$10 \times 3,000 = \$30,000$.)

16. Publication of results of data collection. 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.

Results of the form collection will not be published. Information from the form will only be used to establish a user's identity, and then will be securely stored for possible audit.

17. Approval for not displaying the expiration date of OMB approval. IF SEEKING APPROVAL TO NOT DISPLAY THE EXPIRATION DATE FOR OMB APPROVAL OF THE INFORMATION COLLECTION, EXPLAIN THE REASONS THAT DISPLAY WOULD BE INAPPROPRIATE.

Our office is not making a request not to display an expiration date.

18. Exceptions to the certification statement. EXPLAIN EACH EXCEPTION TO THE CERTIFICATION STATEMENT "CERTIFICATION FOR PAPERWORK REDUCTION ACT SUBMISSIONS."

We are not requesting any exceptions to the certification statement.