

SUPPORTING STATEMENT – PART A

Custodianship Certification to Support Claims on Behalf of Minor Children of Deceased Members of the Armed Forces – OMB No 0730-0010

JUSTIFICATION

1. Need for the Information Collection

According to 10 USC, Chapter 73, “Annuities Based on Retired or Retainer Pay” gives us the authority to provide this benefit and DoD Financial Management Regulation (FMR), 7000.14, Volume 7B, Chapter 46, Paragraph 460103 A(1), “Survivor Benefit Plan (SBP) – Annuity” instructs the respondents to complete the DD 2790 form and provide to Defense Finance and Accounting Service (DFAS). Upon retirement, the military retiree elects annuity coverage for his children if he chooses. This annuity is paid for a minor child of a deceased retiree, and is paid to the legal guardian, or, if there is no legal guardian, to the natural parent who has care, custody, and control of the child as the custodian, or to a representative payee of the child. An annuity may be paid directly to the child when the child is considered to be of majority age under the law in the state of residence. The child then is considered an adult for annuity purposes and a custodian or legal fiduciary is not required. This collection is used to determine the authorized payee.

2. Use of the Information

DD Form 2790 is used by DFAS to determine the authorized payee for deceased retiree SBP payments. In order to pay the annuity to the correct person on behalf of a child under the age of majority, the form is mailed upon notification of death of retiree and completed by the custodian (legal guardian, natural parent, or representative payee of child) of the dependent child(ren), certifying their eligibility. The form can then be mailed or faxed back upon completion. If the form, with the completed certification is not received, the annuity payments are suspended.

If the form is received and not filled out fully, an information request memorandum is sent back to the respondent, along with the originally submitted form, and asked to complete required data on the form and return to DFAS. The Information Request Memorandum sample is being submitted with the OMB collection package.

The form is available on both the DoD Forms website (<http://www.dtic.mil/whs/directives/forms/index.htm>) and the DFAS website (www.dfas.mil). The Privacy Act Statement and Agency Disclosure Notice are available to the respondent on the form.

3. Use of Information Technology

DD Form 2790 is mailed to the respondent upon retiree's death. It is also available in fillable PDF format from the DoD forms website. Respondents may complete the form online, print and fax or mail the completed form for processing. Electronic submissions are received about 20% of the time. At this time, it is not possible to increase electronic submissions as a wet signature is required on the document.

4. Non-duplication

The information obtained through this collection is unique and is not already available for use or adaptation from another cleared source.

5. Burden on Small Business

This information collection does not impose a significant economic impact on a substantial number of small businesses or entities.

6. Less Frequent Collection

If DFAS does not receive the information, annuity payments are suspended. The requirement to complete the form ensures annuity eligibility and helps alleviate the opportunity for fraud and abuse of dependent benefits.

7. Paperwork Reduction Act Guidelines

This collection of information does not require collection to be conducted in a manner inconsistent with the guidelines delineated in 5 CFR 1320.5(d)(2).

8. Consultation and Public Comments

Part A: PUBLIC NOTICE

A 60-Day Federal Register Notice for the collection published on Wednesday, February 17, 2016. The 60-Day FRN citation is 81 FRN 8057. No comments were received during the 60-day comment period.

A 30-Day Federal Register Notice for the collection published on Thursday, January 26, 2017. The 30-Day FRN citation is 82 FRN 8514.

Part B: CONSULTATION

No additional consultation apart from soliciting public comments through the 60-Day Federal Register Notice was conducted for this submission.

9. Gifts or Payment

No payments or gifts are being offered to respondents as an incentive to participate in the collection.

10. Confidentiality

Respondents are assured confidentiality, to the extent provided by law, via the Privacy Act Statement on the form. DFAS certifies that the information collected is maintained in accordance with the Privacy Act of 1974, and OMB Circular A-130, Management of Federal Information Resources.

The SORN covered by this system is:

T7347b, Defense Military Retiree and Annuitant Pay System at:
<http://dpcl.d.defense.gov/Privacy/SORNsIndex/DOD-wide-SORN-Article-View/Article/570196/t7347b/>

The Privacy Impact Assessment for the Defense Retiree and Annuitant Pay System (DRAS),
http://www.dfas.mil/dam/jcr:4c735dde-6b84-4f24-8153-bd83643c98b1/PIA_DRAS_2010.pdf

Records Retention: Disposition for Retired and Annuitant Pay records range from 30 days to 56 years. The administrative records such as, change of address, electronic messages or tax records, that are not pay affecting, are destroyed using retention of 30 days or less than 6 years. All pay affecting documents such as retirement documents, account computation information or entitlement/eligibility records are retained for six years or more and the pay histories are retained for 56 years. Records are destroyed by tearing, shredding, pulping, macerating, burning, or degaussing the electronic storage media.

Records retention for these forms is 6 years as stated in the DFAS 5015.2-M, Records Disposition Schedules (<https://dfas4dod.dfas.mil/library/pubs/rmp5015/dfas50152m-signpg.pdf>) under Schedule 7347, Rule 4.

11. Sensitive Questions

Disclosure of the Social Security Number (SSN) is used for positive identification of the individual requesting benefit. A justification memo is being submitted as part of the OMB submission package.

12. Respondent Burden, and its Labor Costs

a. Estimation of Respondent Burden

Estimation of Respondent Burden Hours					
	Number of Respondents	Number of Responses per Respondent	Number of Total Annual Responses	Response Time (Amount of time needed to complete the collection instrument)	Respondent Burden Hours (Total Annual Responses multiplied by Response Time) Please compute these into hours)
DD 2790, Custodianship Certification to Support Claims on Behalf of Minor Children of Deceased Members of the Armed Forces	300	1	300	10 minutes	50 hours
Total	300	1	300	10 minutes	50 hours

b. Labor Cost of Respondent Burden

Labor Cost of Respondent Burden					
	Number of Responses	Response Time per Response	Respondent Hourly Wage (Federal Minimum Wage*)	Labor Burden per Response (Response Time multiplied by Respondent Hourly Wage)	Total Labor Burden (Number of Responses multiplied by Response Time multiplied by Respondent Hourly Wage)
DD 2790, Custodian Certification to Support	300	10 minutes	\$7.25	\$1.21	\$363.00

Claims on Behalf of Minor Children of Deceased Members of the Armed Forces					
Total	300		\$7.25	\$1.21	\$363.00

* The Respondent hourly wage was determined by using the Department of Labor (<https://www.dol.gov/general/topic/wages/minimumwage>) cited on August 31, 2016.

13. Respondent Costs Other Than Burden Hour Costs

The custodian mails the form back to the DFAS for processing. Mailing costs to the respondent is \$147.00 (300 custodians x \$.49).

14. Cost to the Federal Government

	DD 2790	Total
Number of Responses	300	300
Processing Time Per Response (in hours)	0.167 hour (10 minutes)	0.167 hour (10 minutes)
Hourly Wage of Worker(s) Processing Responses (Federal Civil Service 2016 Pay Structure*)	\$15.35	\$15.35
Cost to Process Each Response (Processing Time Per Response multiplied by Hourly Wage of Worker(s) Processing Responses)	\$2.56	\$2.56
Total Cost to Process	\$768.00	\$768.00

Responses (Cost to Process Each Response multiplied by Number of Responses)		
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* 2016 General Schedule (GS) Locality Pay Tables, 2016 General Schedule (Base)
[\(https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2016/general-schedule/ \)](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2016/general-schedule/)

Operational and Maintenance Costs						
Equipment	Printing	Postage	Software Purchases	Licensing Costs	Other	Total
	\$18.00	\$147.00				\$165.00

Total Cost to the Federal Government		
Operational and Maintenance Costs	Labor Cost to the Federal Government	Total Cost (O&M Costs + Labor Cost)
\$165.00	\$768.00	\$933.00

15. Reasons for Change in Burden

This is a reinstatement with change to an expired collection. Burden has gone back to 0 since this collection expired. Burden hours were erroneously reported. Total completion time was adjusted.

16. Publication of Results

The results of this information collection will not be published.

17. Non-Display of OMB Expiration Date

We are not seeking approval to omit the display of the expiration date of the OMB approval on the collection instrument.

18. Exceptions to "Certification for Paperwork Reduction Submissions"

We are not requesting any exemptions to the provisions stated in 5 CFR 1320.9.