

SUPPORTING STATEMENT

Form ACF-196R
0970-0446

TANF FINANCIAL REPORTING FORM FOR STATES July 2017

A. Justification

1. Circumstances Making the Collection of Information Necessary

Form ACF-196R is used by States administering the Temporary Assistance for Needy Families (TANF) program to report quarterly expenditure data and to request quarterly grant funds. Failure to collect the data would seriously compromise the Office of Family Assistance (OFA) and the Administration for Children and Families' (ACF) ability to monitor TANF expenditures and compliance with statutory requirements. These data are also needed to estimate outlays and to prepare reports and budget submissions for Congress.

Authority to require financial reports is contained in section 411 of the Social Security Act, with additional statutory citations included at sections 409 (a)(1) and (a)(2). Regulatory citations include 45 CFR Parts 265.3 through 265.9.

This form was introduced in FY 2015 and required States to report quarterly expenditures in the quarter in which the expenditure occurred. The ability to properly track these expenditures remains particularly critical for a program that involves over \$17 billion in Federal funds.

2. Purpose and Use of the Information Collection

ACF will continue to use the financial data provided by states to assess compliance with statutory and regulatory requirements relating to use of funds, administrative costs, and state maintenance-of-effort requirements. Without the data captured by the ACF-196R and ACF-196 the agency's ability to monitor TANF grants would be compromised.

The ACF-196R form also includes a Part 2, which requires states to provide additional information regarding several general categories of spending (Assistance Authorized Solely Under Prior Law, Non-Assistance Authorized Solely Under Prior Law, and Other) and the methodology used to estimate any expenditure reported.

3. Use of Improved Information Technology and Burden Reduction

Federal regulations at 45 CFR 265.6 require that reports for this program be submitted online through the ACF On-Line Data Collection (OLDC) system. Likewise, in accordance with ACF policy published in the Federal Register June 28, 2013 (78 FR 38989 et. seq.) financial reports for all ACF grant programs are submitted electronically, either through OLDC or through the HHS Payment Management System (PMS). Paper copies of these reports are no longer being accepted either by mail, by fax or as an email attachment. (See ACF Office of Grants Management Action Transmittal, OGM-AT-13-01, September 25, 2013.)

At the time of this Supporting Statement, GATES is in the process of being updated with a new "Mandatory Grants Module," scheduled to be implemented for FY 2018.

4. Efforts to Identify Duplication and Use of Similar Information

Information collected in these reports is not available through any other Federal source.

5. Impact on Small Businesses or Other Small Entities

These forms are completed only by State governments. Small businesses and other entities are not involved.

6. Consequences of Collecting the Information Less Frequently

This data is used quarterly by ACF and OFA to compute quarterly grant awards, as required by law. Failure to collect expenditure and estimate data on a quarterly basis would preclude the Department from accurately calculating and issuing these awards in a timely manner.

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

Collection of State financial data is consistent with guidelines. The information requested is necessary to satisfy statutory requirements

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

No comments were received during the 60-day comment period following publication of the Federal Register Notice, 82 FR 24714, May 30, 2017. This form was developed during FY 2014 and, at that time, received a substantial number of comments and suggestions for form improvements. Many of those comments were incorporated into the original form design.

9. Explanation of Any Payment or Gift to Respondents

No payments and/or gifts will be provided to respondents.

10. Assurance of Confidentiality Provided to Respondents

The information collected is not confidential.

11. Justification for Sensitive Questions

None of the information requested from state agencies is of a sensitive nature.

12. Estimates of Annualized Burden Hours and Costs

ANNUAL BURDEN ESTIMATES

Instrument	Number of Respondents	Number of Responses per Respondent	Average Burden Hours per Response	Total Burden Hours
ACF-196R	51	4	14	2,856

Estimated Total Annual Burden Hours: **2,856**

For the 51 states and jurisdictions, this TANF financial reporting requirement will result in a quarterly burden that, we estimate, will average 14 hours per response to gather data and complete the reporting form. This results in an annual burden of 2,856 hours.

The staff cost of processing each quarterly report for all 51 grantees is estimated at an annual cost of \$98,760. This is based on an estimate of \$34.58 per hour, the hourly Federal GS-12, "Rest of US" employee rate (2,856 hours x \$34.58 per hour = \$98,760.) This is a substantial

reduction from the previous cost estimate, following a reevaluation of the hourly rate and a greater knowledge of the requirements needed to complete this form.

In accordance with information from the ACF Office of Workforce Planning and Development and based on a recent study by the Congressional Budget Office, "Comparing Benefits and Total Compensation in the Federal Government and the Private Sector," employee benefits accounted for an additional 39 percent of employee compensation. Accordingly, this increases the estimate above by an additional \$38,516, for a total estimate of **\$137,276**.

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

There are no additional direct monetary costs.

14. Annualized Cost to the Federal Government

We estimate Federal staff will require 2 hours to review and analyze each of the 204 reports submitted during a fiscal year (51 respondents x 4 reports per year), for a total of 408 hours per year. Using an estimate of \$34.58 per hour, the hourly Federal GS-12, "Rest of US" employee rate, the annualized cost is \$14,108 (408 hours x \$34.58 per hour = \$14,108.)

15. Explanation for Program Changes or Adjustments

There are no changes or adjustments to this form from its previous approval by OMB.

16. Plans for Tabulation and Publication and Project Time Schedule

Section 411(b) of the Social Security Act requires the Secretary to submit a report to Congress each year that includes expenditures under each state's TANF program. Information from these quarterly TANF financial reports are an important source of the information used to compile certain sections of this report. Financial data are also published on our web site at <http://www.acf.hhs.gov/programs/ofa/programs/tanf/data-reports>

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

Not applicable. OMB expiration date will be shown as required.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

None.

B. Collections of Information Employing Statistical Methods

Not applicable. The financial information supplied by the States must be auditable and in conformance with generally accepted accounting principles and cannot be reported using sampling, estimating or other statistical methodologies.