

Supporting Statement

OMB Control No: 3090-0290; System for Award Management Registration Requirements for Prime Grant Recipients

A. Justification.

1. Circumstances Making the Collection of Information Necessary

In late July 2012, the System for Award Management (SAM) replaced the Central Contractor Registration (CCR) system as the primary registration database for the U.S. Federal Government. SAM currently collects, validates, stores, and disseminates data in support of agency acquisition and financial assistance missions. SAM validates entity registration information and electronically shares the secure and encrypted data with Federal agency finance offices to facilitate paperless payments through electronic funds transfer (EFT). Additionally, SAM shares the data with Federal Government procurement, grant, and electronic business systems.

Both current and potential Federal Government awardees of grants and cooperative agreements are required to register in SAM pursuant to the Federal Acquisition Regulation (FAR) and Title 2 of the Code of Federal Regulations (CFR) in order to receive specified Federal awards. Entities complete a one-time registration process to provide basic information relevant to procurement and Federal grant transactions. Applicants and recipients, excepting individuals, of Federal grants have to register in SAM and maintain an active SAM registration with current information at all times during which they have an active Federal award or an application or plan under consideration by an agency pursuant to 2CFR Subtitle A, Chapter I, and Part 25 (75 FR 5672).

2. Purpose and Use of Information Collection

The information required for SAM registration for Federal grants includes completing the Core Data and Points of Contact sections to provide, among other things, the registering entity's legal business name, address, unique entity identifier, ownership and predecessor information, and type of organization, as well as critical point of contact information (specific guidance for registrants is found at www.sam.gov).

The information collected in SAM is used to validate entity registration information and electronically share the secure and encrypted data with Federal agency finance offices to facilitate paperless payments through electronic funds transfer (EFT). Additionally, SAM shares the data with Federal Government procurement, financial assistance, and electronic business systems.

Collecting information on a non-Federal entity's immediate and highest level owner, as well as on all predecessors, that have been awarded a Federal contract, grant, or cooperative agreement within the last three years further allows Federal agencies to consider the performance and integrity of a non-Federal entity prior to making an award.

3. Use of Improved Information technology and Burden Reduction

We use improved information technology to the maximum extent practicable. SAM is an Internet-based platform easily accessed from any computer enabling the registrant to submit the information electronically.

4. Efforts to Identify Duplication and Use of Similar Information

SAM was developed to centralize awardee information. This collection leverages the central clearinghouse capacity of SAM to ensure that prime grant awardees have minimal burden in providing the Federal Government with their identifying information. This will ensure that the information provided to the Federal Government once will be leveraged multiple times because SAM makes this information available directly to Federal Government procurement, grants, and electronic business systems.

5. Impacts on Small businesses or Other Small Entities

The burden applied to small businesses pursuing Federal grant awards is the minimum consistent with applicable laws, executive orders, regulations and prudent business practices. Required registration in SAM will ensure that small businesses will not be required to provide the same entity identifying information to the Federal Government multiple times unnecessarily. If they are already registered in SAM with the intent to pursue Federal contract awards, there is no new burden. Also, small entities are less likely to have an owner, predecessor, and subsidiary to report on. In addition, it is usually a minimal burden for a small entity to provide the name of its immediate and highest level owner.

6. Consequences of Collecting the Information Less Frequently.

If the collection of this registration data from Federal prime grant awardees is allowed to expire, current registrants will not be able to update and renew their registration information and new applicants will not be able to create their registrations in SAM. Federal agencies will not be able to award new Federal grant opportunities to unregistered entities. This could prevent award of critical Federal grant funding and impact government-wide grant programs.

7. Special circumstances for collection.

Collection is consistent with guidelines in 5 CFR 1320.6.

8. Efforts to consult with person outside the agency, including comments received.

A 60 day notice was published in the *Federal Register* at 82 FR 31331 on July 6, 2017. No comments were received. A 30-day notice was published in the *Federal Register* at 82 FR 57271 on December 4, 2017.

9. Explanation of any payment or gift to respondents, other than remuneration of awardees.

No payment or gift will be provided to participants.

10. Assurance of confidentiality provided to respondents.

The information is disclosed only to the extent consistent with prudent business practices and current regulations. All sensitive entity information in SAM is restricted solely to authenticated users of SAM.

11. Justification for questions of a sensitive nature.

No sensitive questions are involved.

12 & 13. Estimated total annual public hours and cost burden.

Summary

| | Respondents | Hours/Response | Total Hours | Total Cost | Cost Calculation |
|---------------------|--------------------|-----------------------|--------------------|------------------------|--|
| Registrants | 177,960 | 2 hrs/registration | 355,920 | \$13,596,144.00 | \$76.40 cost/respondent x 177,960 respondents |
| TOTAL BURDEN | 177,960 | 2 hrs/response | 355,920 | \$13,596,144.00 | |

It is estimated that an average of 2 hours will be required for each respondent to review and update their current registration in SAM and to review and, prepare for and complete the SAM registration for new registrants. The figure of 177,960 grant respondents was derived from the SAM active registration metrics as of May 2017 that are Federal Assistance (Grant) only respondents and do not register to receive federal contract awards. Respondents who register to receive contract awards have no additional burden to receive grant awards. GSA will continue to review and revise these burden estimates as more information becomes available.

Annual Public Burden and Cost

| | |
|--------------------------------|------------------|
| Respondents | 177,960 |
| Responses per respondent | <u>X 1</u> |
| Total responses | 177,960 |
| Preparation hours per response | <u>X 2</u> |
| Total response burden hours | 355,920 |
| Hourly rate | <u>X \$38.20</u> |
| Total Cost to public | \$13,596,144.00 |

14. Estimated annual cost to the Government.

Time required for Government-wide review is estimated at 1 hour in receiving, reviewing, and analyzing the information submitted by the respondents. This estimate attempts to account for Federal agencies working with registrants to answer their questions, burden to supporting help desks, and time spent investigating registration challenges faced by registrants.

Annual Government Burden and Cost

| | |
|--|------------------|
| Responses | 177,960 |
| Reviewing time/hr | <u>1</u> |
| Review time/yr | 177,960 |
| Average wages/hr (GS 12, step 1 hourly rate) | <u>X \$38.20</u> |
| Average wages/yr | \$6,798,072.00 |
| Benefits and overhead | <u>100%</u> |
| Total Government cost | \$6,798,072.00 |

The cost of \$38.20 per hour is based on GS-12, step 1 salary for the Washington-Baltimore-Arlington, DC-MD-VA-WV-PA metropolitan area.

15. Explanation for Program Changes or Adjustments.

This is a revision of a currently approved public information collection based on actual active grant registrants as of May 2017 as reported in SAM.

2 CFR Subtitle A, Chapter I, and Part 25 mandates that the System for Award Management (SAM) serve as the repository for standard information about applicants and recipients. The burden is relative to the number of registrants for grant awards, which was as of May 2017, 177,960 entities, while when calculated for the original burden there were 204,726 estimated registrants for grants. The reduction in respondents and burden hours is due to the improved calculations based on using actual registrants in SAM, specifically for grants, and the removal of the overestimate from entities that register for both contract and grant awards.

16. Plans for Tabulation and Publication and Project Time Schedule

Results will not be tabulated or published. This information collection will be ongoing.

17. Reasons the Display of OMB Expiration Date is Inappropriate.

We are not requesting an exemption.

18. Explanation of exception to certification statement.

We are not requesting an exemption.

B. Collections of Information Employing Statistical Methods.

Statistical methods are not used in this information collection.