

**Supporting Statement for the
New Hire Information Collection
(FR 27; OMB No. 7100-NEW)**

Summary

The Board of Governors of the Federal Reserve System (Board), under delegated authority from the Office of Management and Budget (OMB), proposes to implement the New Hire Information Collection (FR 27; OMB No. 7100-NEW). This information collection would provide for the electronic collection of certain personnel information from new hires using a secure web-based portal, the “New Hire Portal,” before the first day of employment of a new hire. In this way, the Board is proposing to streamline the collection of personnel information from new hires so that much of the information previously collected in hardcopy format from new employees on their first day of employment would be submitted electronically by new hires through the secure web-based New Hire Portal before they become employees of the Board.

Currently, information is collected from new employees during the Board’s New Employee Orientation (NEO) in order to complete certain employee on-boarding tasks, such as set up direct deposit, conduct security/background checks, set-up computer log-in profiles, establish applicable tax withholdings, determine benefits, identify dependents, as well as related purposes. Such personnel information currently is submitted by new employees on hardcopy forms during or after NEO. Accordingly, the information collected under the Board’s current process is not subject to the Paperwork Reduction Act (PRA) (44 U.S.C. 3501 et seq.) because information is only provided to the Board after the respondent has become a Board employee. However, under the proposal, such personnel information predominantly would be collected electronically from new hires through the New Hire Portal *before* the new hire becomes an employee of the Board. Therefore, the requirements of the PRA would apply to the information collection.

As part of the onboarding process for new hires, a Human Resources (HR) professional at the Board would identify the necessary information that must be collected from the new hire, which is dependent upon whether the person will be starting as an intern or starting as a full- or part-time employee, including as a Governor or Board officer (hereinafter, Regular Employee), and whether the Regular Employee is transferring from another federal agency (Federal Transfer). The new hire would then be sent an e-mail asking him or her to provide the personnel information, described below, through the New Hire Portal prior to their official start date. The estimated total annual burden for the FR 27 is 415 hours.

Background and Justification

Presently, a new hire is asked to fill out a number of personnel forms in hardcopy format and instructed to bring these forms to their first day of employment. These forms are currently collected during or after NEO. As previously mentioned, the Board wishes to collect such information electronically from new hires using the New Hire Portal *before* their official start date. Collecting such information in advance would allow for a smoother onboarding process by ensuring that the information needed to process certain benefits, tax withholdings, payroll

documentation, computer log-in access, building access, and other personnel information is received by the time the new hire starts as an employee. In addition, when a new hire electronically provides information on one section of the New Hire Portal, the portal would automatically pre-populate any other forms (sections) containing duplicative information. Thus, instead of the new hire providing his or her name, home address or other personnel information several different times on various hardcopy forms, which is the current process, such information would automatically be populated across all of the relevant sections of the New Hire Portal after this information is initially provided for the first section of the portal (e.g., the Fingerprint Card Information section and the Federal W-4 Tax section of the portal would automatically be populated using the same home address the new hire first provided under the “New Employee Data” section of the portal). In this way, the proposal would allow for a more efficient process.

Description of Information Collection

The New Hire Portal is broken out into different sections and each section corresponds to the hardcopy forms that new employees currently fill out and provide to the Board during or after the first day of NEO. Thus, the information collection proposal would involve a new hire electronically providing this personnel information and filling out the applicable sections of the New Hire Portal before their first day of orientation. As noted above, the sections of the portal that each new hire would be asked to electronically fill in would depend upon the type of position that the new hire has been offered at the Board. Details about the information collected in each section of the portal, including the purpose for collecting such information, is described below.

Information Collected for All New Hire Types

- *New Employee Data Section*

This section of the New Hire Portal was created to capture relevant data elements for new hires. HR staff collect pertinent new hire information in order to verify data elements previously collected during the application/recruiting process, and collect additional information not collected during the hiring process.

Data collected would include but is not limited to the following information about the new hire:

Date of Birth	Used for identity verification purposes for the employee’s personnel records; used for employee retirement and benefits calculation; used for input into the Visitor Registration system (building security purposes); and used to populate the Fingerprint Card Information section as part of the background investigation.
Social Security Number	Used for identity verification purposes for the employee’s personnel records; used for employee retirement and benefits information; used for input into the Visitor Registration system (building security purposes); and to populate the Fingerprint Card Information section as part of the background investigation.
Education Information	Voluntarily provided (not required to complete the hiring process) and will be added to individual’s personnel file if it is provided.

Ethnicity	Voluntarily provided (not required to complete the hiring process) and used for EEO reporting.
Race	Voluntarily provided (not required to complete the hiring process) and used for EEO reporting; also used to populate the Fingerprint Card Information section to conduct a background investigation.
Gender	Required for certain employee health and benefits information; and used for EEO reporting.
Birthplace	Used to verify citizenship and eligibility to work in the US; and used to populate the Fingerprint Card Information section to conduct a background investigation.
Citizenship Status	Used to verify citizenship and eligibility to work in the U.S.
Citizenship Country	Used to verify citizenship and eligibility to work in the U.S.; and used to populate the Fingerprint Card Information section, as part of the background investigation.
Prior Service	Used to determine if credit for prior service is applicable; and used in the Prior Service Section for salary offset purposes.
Marital Status	Used to determine applicability of spousal benefits; and used in the Federal Transfer Dependent Information section.

Additional information, such as the person’s current address and emergency contact(s), would also be collected in the New Employee Data section. Although the new hire would be required to provide the name and contact information of one “primary” emergency contact, providing a “second” emergency contact would be done on a voluntary basis. The new hire can also voluntarily provide an alternative mailing address, if it is different from his or her current address. A new hire can also voluntarily provide the name of any relatives employed at the Board and their relationship to the new hire under this section.

- *Fingerprint Card Information Section*
In order to verify an employee’s identity for security and building access purposes, information is requested to populate a Fingerprint Card (such as eye color, hair color, height, and weight). Before or during NEO, a pre-populated Fingerprint Card would be provided to each respondent and, at this time, the respondent would provide their fingerprints to appropriate staff in the Management Division for security screening purposes.
- *Direct Deposit Section*
This section would collect information needed to set up a new employee’s direct deposit payroll information, so that the Board can deposit paychecks and other earnings (such as reimbursement for official Board travel or academic assistance). Some information (such as the employee’s name) automatically would be populated from the “New Employee Data” section.

Information Collected Only from Regular Employee

- *Prior Service Section*
This section would collect information about the new hire’s record of prior service with a Federal government agency, in the Federal Reserve System, in the Peace Corps, VISTA,

or active duty military. Only new hires who indicate they have prior service in the “New Employee Data” section of the portal would complete this Prior Service section. Some information (such as social security number and birthdate) would be populated from the “New Employee Data” section. This information would be collected to validate prior service at these other federal agencies or organizations. New hires are obligated to provide this information for employee benefits purposes (e.g., to determine if credit for prior service is applicable; and to determine if the new hire is already retired, and therefore, considered a potential rehired annuitant, which may require a salary offset).

Information Collected Only from Regular Employees who are also Federal Transfers

- *Federal Transfer Dependent Information*

For new hires who are transferring from a federal agency (Federal Transfers), this section would capture personal information about their dependents, so that health insurance benefits for their dependents would continue based on the benefits elections at the prior federal agency. Some information (such as the new hire’s social security number and birth date) would be populated from the “New Employee Data” section in order to validate the new hire’s identity. Marital status and marriage date also would be collected to ensure health insurance benefits are properly continued, as well as the birth date of the Federal Transfer’s spouse and/or children. Such information about the Federal Transfer’s spouse and children is not required to complete the hiring process at the Board, but it is required to retain health insurance benefits.

Information not Subject to PRA and/or Used to Populate Another Federal Agency’s OMB-Approved Forms

In addition to the information detailed above, new hires would provide information in the New Hire Portal that would be used to populate some forms that are already cleared under the PRA by other federal agencies. Specifically, information collected in the New Hire Portal for use on federal tax form W-4 and for use on the Federal Employees Group Life Insurance (FEGLI) Program form was previously cleared under the PRA by other federal agencies. Therefore, this information was not part of the Board’s PRA review for the New Hire Information Collection. In addition, respondents would provide information in the New Hire Portal that is used for the FEGLI form and for the “Designation of Beneficiary Unpaid Compensation of Deceased Employee” form, and respondents hired as Governors or Board officers would also provide information in the New Hire Portal for use on the “Executive Death and Dismemberment Benefit for Officers and Governors” form. However, these three forms require a “wet signature,” which would not be collected until the respondent’s first day of employment at the Board. Accordingly, this information is not subject to the PRA because the respondent is a federal employee when the information is collected by the Board.

Information collected to populate the State tax form (if the new hire selects DC, VA, or MD in the New Employee Data section) is a state, rather than a federal, information collection and is thus not subject to the PRA.

Because the information collected for use on the federal or State tax forms is not subject to PRA clearance by the Board, if there are changes to these tax forms that require corresponding

changes be made to the Federal W-4 or State Tax form sections of the New Hire Portal, such changes would be considered non-material changes and not considered revisions requiring review under the PRA.

Time Schedule for Information Collection

The information collection process for new hires is expected be completed and submitted by all hires prior to, or by, their scheduled start date with the Board. This information would be collected through the New Hire Portal only once - after an applicant has been offered and has accepted an employment position at the Board.

Legal Status

The New Hire Information Collection is authorized pursuant to sections 10(3), 10(4), 11(l), and 11(q) of the Federal Reserve Act, which provides the Board broad authority over employment of staff and security of its building, as well as the authority to determine and prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid (12 U.S.C. 243, 244, 248(l), and 248(q)). In addition, Executive Order 9397 (Nov. 22, 1943) authorizes Federal agencies to use an individual's social security number to identify individuals in agency records. Providing the information collected as part of the New Hire Information Collection is voluntary. However, if certain information requested as part of the New Hire Information Collection is not provided, then the Board cannot complete the hiring process.¹

Generally, information collected as part of the New Hire Information Collection will be kept confidential from the public under exemption 6 of the Freedom of Information Act (FOIA) to the extent that the disclosure of the information "would constitute a clearly unwarranted invasion of personal privacy" (5 U.S.C. 552(b)(6)). For example, the release of information such as the new hire's date of birth, home address, home telephone number, or social security number to the public would likely constitute a clearly unwarranted invasion of personal privacy and be kept confidential. However, the release of information such as the educational history of the new hire or the start date of employment would not likely constitute a clearly unwarranted invasion of personal privacy and may be disclosed under the FOIA.

Determinations regarding disclosure to third parties of any confidential portions of the information collection that are considered exempt under the FOIA will be made in accordance with the Privacy Act (5 U.S.C. 552a(b)). Relevant Privacy Act statements are provided when a respondent logs in to the portal and before the respondent is asked to provide any information. The Board may make disclosures in accordance with the Privacy Act's routine use disclosure provision (5 U.S.C. 552a(a)(7) and (b)(3)), which permits the disclosure of a record for a purpose

¹ The provision of the following information is optional and is not necessary to complete the hiring process: education information (e.g., name of educational institution, major, degree, year of graduation), race, ethnicity, and the identity of and relationship to any relatives who are also employed at the Board. Although a new hire is required to provide the name and contact information of one "primary" emergency contact, providing a "second" emergency contact is optional and is not required to complete the hiring process. A new hire can also voluntarily provide an alternative mailing address, if it is different than his or her current address. Lastly, although not required to complete the hiring process, information on dependents is required to obtain certain benefits (such as health insurance benefits for dependents of Federal Transfers).

which is compatible with the purpose for which the record was collected. Such routine uses are listed in the specific systems of records notices, which apply to this information collection and which can be found in: (1) the System of Records Notice for BGFRS-1, FRB-Recruiting and Placement Records, located here: <https://www.federalreserve.gov/files/BGFRS-1-recruiting-and-placement-records.pdf>, (2) the System of Records Notice for BGFRS-4, FRB-General Personnel Records, located here: <https://www.federalreserve.gov/files/BGFRS-4-general-personnel-records.pdf>, (3) the System of Records Notice for BGFRS-7, FRB—Payroll and Leave Records, located here: <https://www.federalreserve.gov/files/BGFRS-7-payroll-and-leave-records.pdf>, (4) the System of Records Notice for BGFRS-24, FRB—EEO General Files, located here: <https://www.federalreserve.gov/files/BGFRS-24-eeo-general-files.pdf>, and/or (5) the System of Records Notice for BGFRS-34, FRB-ESS Staff Identification Card File, located here: <https://www.federalreserve.gov/files/BGFRS-34-ess-staff-identification-card-file.pdf>.

Consultation Outside the Agency

There has been no consultation outside the agency.

Public Comments

On December 17, 2018, the Board published an initial notice in the *Federal Register* (83 FR 64573) requesting public comment for 60 days on the implementation of the FR 27. The comment period for this notice expired on February 15, 2019. The Board did not receive any comments. On March 11, 2019, the Board published a final notice in the *Federal Register* (84 FR 8718).

Estimate of Respondent Burden

The Board fills approximately 444 positions per year. The average hours per response for the proposed information collection process using the New Hire Portal is estimated to be one hour for new hires who are offered a Regular Employee position, 45 minutes for new hires who are Interns, and an additional five minutes if the Regular Employee is also a Federal Transfer. The total annual burden for the FR 27 is estimated to be 415 hours. These reporting requirements represent less than 1 percent of the total Board paperwork burden.

FR 27	<i>Number of respondents²</i>	<i>Annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
Regular Hire	312	1	1	312
Intern Hire	122	1	0.75	92
Federal Transfer	10	1	1.08	<u>11</u>
<i>Total</i>				415

² Of these respondents, none are considered small entities as defined by the Small Business Administration (i.e., entities with less than \$550 million in total assets) www.sba.gov/document/support-table-size-standards.

The estimated current annual cost to the public of this information collection is \$10,790³.

Sensitive Questions

Sensitive questions (i.e., height, weight, eye color and hair color) would be collected for use on the Fingerprint Card Information section. Such information is necessary for security purposes. Sections 10(3) and 11(q) of the Federal Reserve Act (12 U.S.C. 243 and 248(q)) give the Board authority over its building and the ability to collect information necessary to protect and safeguard the premises, grounds, property, personnel, and operations conducted by or on behalf of the Board or a Reserve Bank, which allows for the collection of this information for building security purposes.

If a new hire has a social security number, the solicitation and collection of the new hire's social security number would be used in various sections of the portal to validate the new hire's credentials for certain benefits and security authorizations. The social security number also would be used to ensure the accuracy of data involving the specified new hire. Sections 10(4) and 11 of the Federal Reserve Act (12 U.S.C. 244, 248(q) and 248(l)) give the Board the authority to recruit, examine, and evaluate a new hire's qualifications for employment with the Board, as well as authority for the security of its buildings. Executive Order 9397 (Nov. 22, 1943) authorizes Federal agencies to use an individual's social security number to identify individuals in agency records.

The direct deposit section asks that new hires supply their bank transit and account routing numbers in order to facilitate the processing of their paychecks. Section 10(4) of the Federal Reserve Act (12 U.S.C. 244) also authorizes the Board to determine and prescribe the manner in which its obligations shall be incurred and its disbursements and its expenses paid.

Estimate of Cost to the Federal Reserve System

The total annual cost to the Federal Reserve for printing and processing the Onboarding sections is estimated to be \$188,900.

Use of Information Technology

It is anticipated that 100 percent of the responses would be collected electronically. Respondents who have been selected for the relevant positions would access the secure New Hire Portal on an electronic device (such as a desktop computer, laptop, tablet, or mobile device). Submission instructions would be provided electronically, as well.

³ The average consumer cost of \$26 for filling out a form for oneself is estimated using data from the United States Department of Labor, Bureau of Labor Statistics Economic News Release (USD L-16-0462) www.bls.gov/news.release/cewqtr.nr0.htm.