

SUPPORTING STATEMENT - PART A

Response to the Marine Corps NAF Debt Collection Notice, 0703-XXXX

1. Need for the Information Collection

The NAVMC Form 11787, "Response to the Marine Corps NAF Debt Collection Notice," is necessary for Marine Corps Community Services (MCCS) to maintain a tracking and accounting system for authorized vendors and patrons indebted to MCCS businesses and services as well as applicable supported Marine Corps Nonappropriated Fund Instrumentalities (NAFIs) for the purpose of repayment management or to transfer the debt collection to the Treasury Offset Program, dependent on the response option elected by the respondent.

Authorities to collect the information:

10 U.S.C. 5013, Secretary of the Navy is responsible for the functioning and efficiency of the Department of the Navy and the formulation of policies and programs that are fully consistent with the national security objectives and policies established by the President or the Secretary of Defense.

10 U.S.C. 5041, Headquarters, Marine Corps is to assist the Secretary of the Navy in carrying out his responsibilities.

Federal Claims Collection Act of 1966 (Pub. L. 89-508, as amended) defines and applies "administrative offset" as withholding funds payable by the United States (including funds payable by the United States on behalf of a State government) to, or held by the United States for, a person to satisfy a claim.

Debt Collection Act of 1982 (Pub. L. 97-365) as amended by the Debt Collection Improvement Act of 1996 (Pub.L. 104-134, Section 31001) provides to maximize collections of delinquent debts owed to the Government by ensuring quick action to enforce recovery of debts and the use of all appropriate collection tools.

31 CFR 285.11, Administrative Wage Garnishment provides procedures for Federal agencies to collect money from a debtor's disposable pay by means of administrative wage garnishment to satisfy delinquent nontax debt owed to the United States.

DoD 7000.14-R, Department of Defense Financial Management Regulations Volume 16: "Department of Defense Debt Management," provides policy and requirements for administrative actions associated with the collection and disposition of debts that are owed to the DoD by any person, organization, or entity except another federal agency.

MCO P1700.27B W CH1, Marine Corps Community Services Policy Manual provides that DC, M&RA will maintain consolidated debt collection programs.

MCO 7010.19 W CH1, Marine Corps Community Services Financial Management Procedures provides authorization for substantiating debts by contacting the alleged debtor directly a via collection letter.

E.O., 9397 (SSN) as amended, Numbering System for Federal Accounts Relating to Individual Persons, as amended. It is the policy of the United States that the Federal Government move towards the use of a single, unduplicated numerical identification system of accounts and avoid the unnecessary establishment of additional systems. In addition, it establishes that the Federal agencies should conduct agency activities that involve personal identifiers in a manner consistent with protection of such identifiers against unlawful use.

2. Use of the Information

Respondents include individuals, patrons, and vendors whose medium of payment is declined or returned unpaid or owe a debt or alleged debt to an MCCS business or service or other applicable supported Marine Corps NAFI. The response provides the alleged debtor an opportunity to elect to repay the debt in full, agree to a repayment plan, dispute the debt, or identify that bankruptcy has been filed. In addition, the respondent validates their

current contact information. The information collection is via the "Response to Debt Collection Notice," in paper format. Respondents receive the notice of intent to collect a delinquent debt to the Marine Corps along with the response notice request by mail. The respondents initial next to the option they elect on the response notice and fill in their current address, applicable repayment amount, and/or reason for disputing the debt. In addition, the respondent signs and dates the response notice.

Response Submissions. Responses with payments are submitted via mail to Business and Support Services Division (MR), Treasury Offset Program, P.O. Box 277160, Atlanta, GA 30384-7160. Responses without payments are submitted either via mail to Business and Support Services Division (MR), ATTN: Treasury Offset Program (TOP), P.O. BOX 1058, Quantico, VA 22134-1058 or via FAX to 703-432-1312. In addition, respondents are provided a hotline number that they may access at 1-888-656-3420 to address questions concerning this response notice.

This is the only response request sent to the alleged debtor. If a response is not received within 30 days of the response notice, the debt is forwarded to the U.S. Department of the Treasury for collection pursuant to the Treasury Offset Program, as authorized by the Debt Collection Improvement Act of 1996 (Pub. L. 104-134). Once the information and elected payment option is submitted to MR by the respondent, authorized personnel with a need-to-know input the payment amount in NAF Financial Management System (Computron) for fiscal management and in the Repayment Enhancing Microcomputer Input Tool (REMIT) for repayment management or to transfer the debt collection to the Treasury Offset Program, dependent on the response option elected by the respondent. The intended effect is managing the collection of debt in a manner that is reliable, effective, and efficient, thereby supporting financial accountability.

3. Use of Information Technology

Currently, 0% of the responses are collected electronically, as the debt collection notice response request is included with the debt notification letter sent via the U.S. postal service.

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 Businesses

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

6. Less Frequent Collection

The frequency of responses is “on occasion” initiated by the event of an uncollected alleged debt being submitted to MR by an MCCS program. This information collection is a one-time response request by MR. If MR were not afforded an opportunity to request this one-time response from the respondent, debt collections would automatically be transferred to the Treasury Offset Program once submitted to MR. If not afforded an opportunity to respond to MR’s information collection, the respondent could have the debt collection showing on his or her credit report for up to seven years, along with a possible negative impact to his or her credit score.

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 Thursday, June 20, 2019. The 60-Day FRN citation is 84 FRN 28794.

No comments were received during the 60-Day Comment Period.

A 30-Day Federal Register Notice for the collection published on Monday, September 30, 2019. The 30-Day FRN citation is 84 FRN 51528.

Part B: CONSULTATION

No additional consultation apart from soliciting public comments through the 60-Day Federal Register Noticed 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

A Privacy Act Statement (PAS)/Agency Disclosure Notice (ADN) is provided at the top of the form..” In addition, respondents who call the hotline to request information regarding the Debt Collection Notice are provided the information verbally prior to requesting personal information. A copy of the PAS/ADN is provided to the respondent, upon request.

A draft copy of the SORN “Marine Corps Community Services (MCCS) Bad Checks and Indebtedness,” M07010-2 has been provided with this package for OMB’s review.

The published Privacy Impact Assessment for NAF Financial Management System (Computron) with expiration date Aug 14, 2021 may be accessed at <https://www.doncio.navy.mil/exports.aspx?id=12331>.

Retention and Disposition Schedule: Temporary: Destroy 6 year(s) and 3 month(s) after period covered by account (DAA-0127-2013-0015)

11. Sensitive Questions

The necessity of MR maintaining the Social Security Number (SSN) is that it is required by the Treasury Offset Program for the purpose of collecting delinquent debts owed, in accordance with 31 U.S.C. § 3720D and 31 C.F.R. § 285.11. A Social Security Number Justification Memo has been included as part of this package.

12. Respondent Burden and its Labor Costs

a. Estimation of Respondent Burden

1. NAVMC Form 11787

- a. Number of Respondents: 2080
- b. Number of Responses Per Respondent: 1
- c. Number of Total Annual Responses: 2080
- d. Response Time: 5 minutes

e. Respondent Burden Hours: 173 hours

2. Total Submission Burden

- a. Total Number of Respondents: 2080
- b. Total Number of Annual Responses: 2080
- c. Total Respondent Burden Hours: 173 hours

b. Labor Cost of Respondent Burden

1. NAVMC Form 11787

- a. Number of Total Annual Responses: 2080
- b. Response Time: 5 minutes
- c. Respondent Hourly Wage: \$17.95
- d. Labor Burden per Response: \$1.50
- e. Total Labor Burden: \$3,111.34

2. Overall Labor Burden

- a. Total Number of Annual Responses: 2080
- b. Total Labor Burden: \$3,111.34

Hourly wage was based on Department of Labor, Bureau of Labor Statistics for “sales and office occupations” accessed July 26, 2018 at <https://www.bls.gov/cps/cpsaat39.htm>.

13. Respondent Costs Other Than Burden Hour Costs

Respondents are requested to mail or fax the response back to MR. The cost of a First Class U.S. Postage Stamp is \$0.50. The cost of one standard business envelope is estimated to be around \$0.10. The total estimated cost to the respondent for the one-time response is \$0.60, and \$1,248.00 annually.

14. Cost to the Federal Government

a. Labor Cost to the Federal Government

1. Response to Debt Collection Notice

- a. Number of Total Annual Responses: 2080
- b. Processing Time per Response: 5 minutes
- c. Hourly Wage of Worker(s) Processing Responses: \$20.00
- d. Cost to Process Each Response: \$1.67
- e. Total Cost to Process Responses: \$3,466.67

2. Overall Labor Burden to Federal Government

- a. Total Number of Annual Responses: 2080
- b. Total Labor Burden: \$3,466.67

Labor costs for NF Level 4 employees is \$20.00 per hour, based on the average of pay between East Coast and West Coast. Pay schedules referenced can be accessed at://www.cpms.osd.mil/Content/NAF%20Schedules/survey-sch/126/126-032-59-NF.html

b. Operational and Maintenance Costs

Estimated annual costs are paid by nonappropriated funds.

Repayment Enhancing Microcomputer Input Tool

- a. Equipment: \$500.00 annualized cost based on 5 yr lifecycle
- b. Printing: \$6,240.00
- c. Postage: \$978.00
- d. Software Purchases: \$1,000.00 annualized cost based on 5 yr lifecycle
- e. Licensing Costs: \$0
- f. Other:
 Envelopes: \$208.00
- g. Total: \$8,926.00

- 1. Total Operational and Maintenance Costs: \$8,926.00
- 2. Total Labor Cost to the Federal Government: \$3,466.67
- 3. Total Cost to the Federal Government: \$12,392.67

15. Reasons for Change in Burden

This is an existing collection currently in use without an OMB Control Number.

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.