

# **Generic Clearance for Financial Reports used for ACF Mandatory Grant Programs**

**OMB Information Collection Request  
0970 - 0510**

## **Supporting Statement Part A - Justification**

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Submitted By:  
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U.S. Department of Health and Human Services

## **SUPPORTING STATEMENT A – JUSTIFICATION**

### **Summary**

This request is for an extension with changes to a previously approved overarching generic clearance. The Supporting Statement has been updated to provide additional detail about the potential generic information collections submitted under this umbrella and to update the proposed process for submission of new and revised requests to include a 14-day public comment period. The proposed types of information collections and purpose and use of the collected information has not changed.

### **1. Circumstances Making the Collection of Information Necessary**

This information collection request (ICR) is to continue use of the umbrella generic: Generic Clearance for Financial Reports used for ACF Mandatory Grant Programs (0970-0510). Generic Information Collections (GenICs) under this umbrella consist of forms for recipients of mandatory grant funding to submit financial information to the Administration for Children and Families (ACF).

The authorities to collect and report the information requested on these forms are found in various statutes and Public Laws. For example, Titles IV-A, IV-D and IV-E of the Social Security Act, the “Child Care and Development Block Grant Act,” as amended, and the “Immigration and Nationality Act of 1952,” as amended. Mandatory grant funding recipients must have program administration plans approved by ACF and are required by several statutes and Federal regulations applicable to HHS programs, including 45 CFR Part 75, to maintain complete records and a system to report this information to ACF on a regular basis.

ACF programs require detailed financial information from their grantees that allows ACF to monitor various specialized cost categories within each program, to closely manage program activities, and to have sufficient financial information to enable periodic thorough and detailed audits.

The information included on the standard Federal Financial Report Form (SF-425; OMB #4040-0014) provides only minimal, bare-bones, non-program specific financial information insufficient for these purposes. This generic clearance allows ACF programs to efficiently develop and receive approval for financial reports that are tailored to specific funding recipients and the associated needs of the program. This umbrella generic is a mechanism that is available to all ACF mandatory grant programs to use to obtain OMB approval of financial forms. Currently (May 2021), only a small number of ACF’s mandatory grant program financial forms are covered under this umbrella; it does not cover all ACF mandatory grant program financial forms.

### **2. Purpose and Use of the Information Collection**

Financial information that is specific to funding recipient activities and the requirements in a funding opportunity announcement is critical to allow ACF program offices the ability to track funding in appropriate ways, allowing programs to monitor use of ACF funds and ultimately protect federal

interests.

The information collected through GenICs under this umbrella clearance is used to:

- a. Monitor program operations and prepare technical assistance and guidance as needed
- b. Assess the effect of program changes and make informed decision
- c. Assist in the computation of the grant awards issued to each program's grantees
- d. Assist in the computation of the Child Support Enforcement program's annual incentive payments
- e. Determine that child support collections are being properly distributed (Child Support Enforcement Program only)
- f. Ensure funding recipients are meeting funding requirements established by Congress
- g. Produce annual financial and statistical reports as may be required by Congress and respond to periodic detailed inquiries from Congress

### **3. Use of Improved Information Technology and Burden Reduction**

In accordance with ACF policy published in the Federal Register on June 28, 2013 (78 FR 38989 et. seq.) all grantees are required to electronically file financial reports online. ACF maintains OLDC, the "On Line Data Collection" system as the electronic online data entry portal for recipients of ACF grant funds.

All grantees for these programs submit their financial data online. The financial data entered by each grantee for these programs is transferred to GrantSolutions, or other programs, where it is available for thorough review and approval by Federal financial staff.

### **4. Efforts to Identify Duplication and Use of Similar Information**

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

### **5. Impact on Small Businesses or Other Small Entities**

These forms are completed only by the state, territories, and tribal governmental agencies administering these programs. Small businesses and other entities are not involved.

### **6. Consequences of Collecting the Information Less Frequently**

The financial data collected through the individual GenICs is most commonly collected on a quarterly basis. The information is used extensively by each program to actively monitor program activities and to address needs in a timely manner, so is needed on a quarterly basis. Additionally, failure to collect this 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**

In accordance with the Paperwork Reduction Act of 1995 (Pub. L. 104-13) and Office of Management and Budget (OMB) regulations at 5 CFR Part 1320 (60 FR 44978, August 29, 1995), ACF published a notice in the *Federal Register* announcing the agency's intention to request an OMB review of this information collection activity. This notice was published on July 9, 2020, Volume 85, Number 132, page 41241, and provided a sixty-day period for public comment. We did not receive comments on the proposed collection of information.

Prior to a new form being submitted for review under this umbrella generic, ACF will publish a notice in the *Federal Register* announcing the agency's intention to request an OMB review of the form and providing a 14-day period for public comment on that specific GenIC. ACF will review any comments received and address them as appropriate. ACF will provide a copy of any comments received and will provide a description of how comments were considered in the submission form along with the request package for the GenIC.

If substantive revisions, such as changes to reporting requirements, are proposed to an approved GenIC, ACF will follow a similar process through which a notice in the *Federal Register* will be published to announce the agency's intention to request an OMB review of the form and provide a 14-day period for public comment on the changes to that specific GenIC.

In addition to the solicitation for comments in the *Federal Register*, each of these financial reporting forms for each of these separate ACF mandatory grant programs is constantly being reviewed by ACF financial staff in headquarters and the ten Regional Offices. As needs for changes to the reporting requirements outlined in an approved form under this umbrella generic arise, ACF will engage stakeholders for advice and suggestions to assure the changes are rational and reasonable and meet the requirements of Federal law and the ability of grantees to provide the requested information. Stakeholders could include program grantees, affiliated advocacy groups, or others with a direct interest in these financial reporting requirements. If reporting requirements change in response to new legislation, the agency may need to conduct this stakeholder engagement after implementing the change(s) to reporting requirements. In such cases, ACF will engage stakeholders for feedback after implementation and work with OMB to make resulting changes, if necessary.

## **9. Explanation of Any Payment or Gift to Respondents**

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

## 10. Assurance of Confidentiality Provided to Respondents

Not applicable for these financial reports.

## 11. Justification for Sensitive Questions

Data collected are not of a sensitive nature.

## 12. Estimates of Annualized Burden Hours and Costs

The total burden request under this extension includes the previously approved and ongoing burden and the estimated burden over the next 3 years. The total requested burden under this OMB # is 143,940 hours. The tables below provide details for these estimates.

### *Previously Approved and Ongoing*

Information Collection Title	Total Number of Respondents	Annual Number of Responses Per Respondent	Average Burden Hours Per Response	Annual Burden Hours	Total Burden Hours
Form CB-496: Title IV-E Programs Quarterly Financial Report	67	4	25	6,700	20,100
Child Care and Development Fund (CCDF) ACF-696 Financial Report for States and Territories	56	4	5	1120	3,360
Child Care and Development Fund (CCDF) ACF-696T Financial Report for Tribal Grantees	221	1	7	1547	4,641
Form OCSE-396: Child Support Enforcement Program Quarterly Financial Report	54	4	6	1,296	3,888
Form OCSE-34: Child Support Enforcement Program Quarterly Collection Report	114	4	14	6,384	19,152
Totals:				17,047	51,141

### ***Estimated Burden and Costs for Future Requests***

The following burden estimates are for future GenICs under this umbrella generic. Updated burden estimates are based on the use over the past three years and anticipated need in the upcoming three years.

Information Collection Title	Total Number of Respondents	Annual Number of Responses Per Respondent	Average Burden Hours Per Response	Annual Burden Hours	Total Burden Hours	Average Hourly Wage	Total Annual Cost
Mandatory Grant Financial Reports	700	4	12	33,600	100,800	\$50.18	\$1,686,048

The costs per respondent are expected to vary based on program and the specific GenIC request. Each program-specific GenIC will provide information about cost estimates for that specific information collection. We have estimated a general overarching estimate here, based on Bureau of Labor Statistics data from 2020 for 21-0000 Community and Social Service Occupations (job code 21-0000; <https://www.bls.gov/oes/current/oes210000.htm>). The mean national hourly wage for this occupation is \$25.09. Multiplying this by two (to account for fringe benefits and overhead) results in an average hourly cost of \$50.18. The estimate of annualized cost to respondents for hour burden is thus \$50.18 times burden hours or \$5,058,144 over three years, or \$1,686,048 annually.

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

Federal grantees are required to maintain extensive and accurate accounting records as a condition of receiving any federal grant. Any costs associated with collecting and maintaining this information is, generally, considered an administrative cost allocated to each program, as appropriate, and is eligible for federal funding. As such, there is no additional cost burden to respondents to provide the information being requested on these financial reporting forms.

### **14. Annualized Cost to the Federal Government**

We estimate costs to the federal government for all GenICs submitted under this generic to be about \$400,000 per year. This includes the initial cost of incorporating periodic form changes into online programming, using collected data in the computation of quarterly Notices of Award, tabulating and analyzing collected data, and publishing aggregate information in an annual report. The costs will vary by program office and by activity, though, and each program-specific GenIC will provide information about costs to the federal government.

### **15. Explanation for Program Changes or Adjustments**

This request is for an extension to a previously approved overarching generic clearance. We have updated burden estimates based on the needs over the past three years and also to accurately show total versus annual burden amounts.

**16. Plans for Tabulation and Publication and Project Time Schedule**

Information on these forms is published in aggregate and state-by-state or tribe-by-tribe formats and in combination with other programmatic data collected by ACF. The data are published following each fiscal year, once received from every grantee, in an annual report available to the general public. Any additional plans for sharing information will be specified in each program-specific GenIC. No complex analytical techniques are required.

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

Such approval is not being sought; the expiration date will be shown as needed.

**18. Exceptions to Certification for Paperwork Reduction Act Submissions**

None.