

## National Endowment for the Arts Supporting Statement NEA Funding Reporting Requirements - Final Descriptive Reports Update

### A. Justification

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The Chairman of the National Endowment for the Arts is authorized to carry out a program of grants-in-aid by the agency's enabling legislation (20 U.S.C. §954). With the recommendations of advisory panelists and members of the National Council on the Arts, the Chairman establishes eligibility requirements and criteria for the review of applications (see ICR Reference No: 201908-3135-001 / OMB Control #3135-0112). Awards are made to nonprofit organizations, government agencies, and individuals.

In concordance with OMB 2 CFR part 200, Final Descriptive Reports (FDR) elicit information on project activities and expenditures from individuals, nonprofit organizations, and government arts agencies that receive funding from the National Endowment for the Arts (see ICR Reference No: 201908-3135-001 / OMB Control #3135-0112 for more detail on these programs). Reporting requirements are necessary to ascertain that grant projects have been completed, and that all terms and conditions have been fulfilled.

The National Endowment for the Arts also collects information regarding participation in and location of project activities to understand the reach and geographic distribution of NEA-approved grant and cooperative agreement activities. Participation data, including in-person and virtual engagement counts and demographic characteristics of populations served, is collected in the FDR form. Geographic information is collected through the Geographic Location of Project Activity (or GEO) portion of the Final Report. This information is used in our reports to Congress, the federal Office of Management and Budget, and the public.

The agency previously submitted a clearance package for FDRs (OMB Control # 3135-0140) and we will continue to use this same OMB Control number for the proposed clearance package.

This year, in addition to minor updates to forms, we are including three new forms: a participation list for our Poetry Out Loud national initiative; and 2 data collection forms for our Creative Forces Community Engagement initiative. The participation list is used to collect information on the names of schools and organization who held competitions and their geographic locations. The Creative Forces Community Engagement forms will be used to gather information from applicants and subgrantees regarding the details of the programs they intend to offer for military

service members and veterans exposed to trauma as well as their families and caregivers, the number of participants at events or sessions, changes in capacity of the subgrantee and its partner(s), and details of the populations that benefited from the programs.

In addition, there are 3 forms (FY19-22 General Operating Support FDR, American Rescue Plan Local Arts Agencies (ARP LAA) FDR form, and LAA subgrant spreadsheet) that were cleared early this year through an emergency clearance (see ICR Reference No. 202104-3135-004 / OMB Control # 3135-0143). The FY19-22 General Operating Support FDR was designed to account for Congressionally-approved changes to how funds were able to be spent as a result of the COVID-19 pandemic under our regular grant programs. Previously, our funds and therefore, the final reports elaborating how they were spent were project focused. Grantees were able to reallocate funds to general operating support, so the General Operating Support FDR was created. 2020 Coronavirus Aid, Relief, and Economic Security (CARES) Act funds and 2021 American Rescue Plan (ARP) funds are also able to be used to support general operating costs and the FY19-22 General Operating Support FDR will also be used to track funds from these grant programs. This form was generated to account for this change. The ARP LAA FDR was generated specifically to track ARP funds allocated to local arts agencies. The LAA subgrant spreadsheet is designed to further track how local arts agencies allocate ARP funds to subgrantees.

**2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

Final Descriptive Reports are required to be submitted by grantees in order to ascertain that funded projects are proceeding with and/or have been completed according to all of the terms and conditions of the federal grant. The submitted forms are reviewed for compliance by the NEA Office of Grants Management staff and then turned over to the respective discipline offices for review.

The Office of Research and Analysis uses FDR data for analysis and evaluation of grant programs. Findings from the analysis of FDR data are also used in the Agency's Annual Performance Report, which is submitted to OMB and Congress.

All Creative Forces applicants will be required to submit the supplemental application form to Mid-America Arts Alliance, which is a cooperator for the NEA, that will manage the subgranting program on behalf of the NEA. All Creative Forces subgrantees will be required to submit the Creative Forces Final Descriptive Report form to the Mid-America Arts Alliance. The Mid-America Arts Alliance will review the Supplemental Application Forms and Creative Forces Final Descriptive Report forms and provide the cleaned data set (including de-identification), documentation of analytical methods, and data tables requested by the Agency. The data will be used by the NEA Office of Research and Analysis and the NEA Office of the Senior

Deputy Chairmen to assess the effectiveness of projects, the organizations and populations who benefit from federal dollars, and the geographic locations where federal grant dollars were spent.

- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

Beginning with grants made in the Fiscal Year 2012 award cycle, Final Descriptive Reports must be submitted to the agency electronically. The National Endowment for the Arts posts all of the instructions and forms for its reporting requirements on its website, under the [Manage Your Award](#) tab. Final Descriptive Reports from fiscal year 2020 and later and the GEO portion of the Final Report are fillable webforms submitted through NEA's online awards management system, [REACH](#). Final Descriptive Report forms from fiscal year 2019 and earlier are submitted as fillable PDF forms. In addition, the Participation List for the Poetry Out Loud initiative and the LAA subgrant spreadsheet are Excel spreadsheets to be filled out by grantees and submitted to NEA program staff as instructed in the [Manage Your Award](#) tab.

The Creative Forces Community Engagement forms will be required to be submitted by applicants and subgrantees to the Mid-America Arts Alliance via a web form on Mid-America's online application portal. Organizations are able to save their data in the webform and, as applicable, the Creative Forces Community Engagement Final Descriptive Report form will pre-populate with information from the application form.

The National Endowment for the Arts has refined its electronic reporting systems in response to government-wide initiatives (such as the President's Open Data Policy) and to the agency's desire to improve efficiency and the reliability and usefulness of the information collected. This has created efficiencies for staff by electronically validating what is submitted, as well as providing us with easy access to information in data fields for dissemination, decision-making, and research purposes. We will continue to explore ways to refine our information technology systems for the benefit of applicants, grantees, and staff.

- 4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

The reports on projects funded require specific information about federally funded activities that were carried out during the project period. Each year, most applicants apply and report on a single, specific project. This project changes from year to year, as do the personnel involved and the project budget. Much of the information collected one year is not relevant to the next year's request.

**5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

Some of the National Endowment for the Arts' funding opportunities and subsequent awards are aimed specifically at sections of the country, areas of cities, and rural areas that are not fully participating in the arts experiences that are available in our nation. Particularly with these initiatives, special attention has been given to minimizing the burden on applicants. All of our reporting requirements are developed with sensitivity to the constraints faced by small, independently-run, non-profit organizations.

**6. Describe the consequence to federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

Both OMB 2 CFR Part 200 and the National Endowment for the Arts' enabling legislation (as amended) require the collection of reports from grant recipients. Without these reports, the agency would not be able to determine whether funded activities had been conducted according to the terms and conditions of the federal grant. The application guidelines also state that acceptable reports must be received by the report due dates in order for previous grantees to maintain eligibility for future awards.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**

- **requiring respondents to report information to the agency more often than quarterly;**
- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **requiring respondents to submit more than an original and two copies of any document;**
- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;**
- **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**

- **requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

The agency intends to collect its information from grantees in a manner that does not necessitate any of the special requirements noted above.

- 8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8 (d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

**Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.**

**Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years--even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.**

A 60-day notice for public comment was published in the Federal Register, Vol. 86, 38505 (document 2021-15500) on July 21, 2021, to solicit comments on the "2021 Final Descriptive Report Update" prior to submission of this OMB clearance request. One public comment was received and taken into consideration at the National Endowment for the Arts in response to this notice. A 30-day notice for public comment was also published in the Federal Register, Vol. 86, 57454 (document 2021-22532) on October 15, 2021.

National Endowment for the Arts staff members also consult regularly with individuals in their fields nationwide. Service organizations and state arts agencies sometimes provide suggestions on report forms and requirements from their constituents. The Our Town report was designed following the development in 2017 of a theory of change and logic model through consultation with external subject matter experts.

- 9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

Not applicable. The National Endowment for the Arts does not provide any payments or gifts to respondents.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

Assurance of confidentiality is provided under the terms of the Privacy Act of 1974. The National Endowment for the Arts is authorized to solicit applicant information by the agency's enabling legislation [20 U.S.C. §954].

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

No questions of a sensitive nature are included in the information collection.

**12. Provide estimates of the hour burden of the collection of information. The statement should:**

- **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
- **If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens.**
- **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

**ESTIMATED BURDEN (IN HOURS) FOR REPORTING**

The chart below is broken out by the three basic types of recipients that receive funding awards from the National Endowment for the Arts. Figures are based on a frequency of one response per year for reporting.

Type of Recipient	Est. # of Grant Reports	Average Time per Report	Est. Reporting Burden for Grant Reports (Hours)
Nonprofit Orgs	11,525	2.5	28,813
Gov Agencies	1,782	3.8	6,772
Individuals	97	1	97
<b>Totals</b>	<b>13,404</b>		<b>35,682</b>

The total reporting requirements burden is estimated at 35,682 hours. This burden is calculated by multiplying the estimated number of grants for each type of recipient x the estimated hourly response burden for that type x 1 response per year. The category totals are added together for an agency-wide estimate of 35,682 hours. With an agency-wide estimate of 13,404 grantees, this works out to an agency average of approximately 2.66 hours per response. This agency-wide average includes both nonprofits and government agencies whose reporting burden is estimated at 2.5 and 3.8 hours, respectively, and individuals where the estimate is 1 hour per grantee. Note that these estimates reflect the approximate number of reports we expect to receive annually, but also include reports we expect to receive from prior years. Because some grants are multi-year awards, grant reports are received unevenly.

### **COST TO RESPONDENTS/REPORTING**

Type of Recipient	Est. # of Grants	Average # of Hours per Grant Report	Total Hours	Average Hourly Wage	Total
Nonprofit Orgs	11,525	2.5	28,813	\$24.50	\$705,919
Gov Agencies	1,782	3.8	6,772	\$24.50	\$165,914
Individuals	97	1	97	\$45	\$4,365
<b>TOTALS</b>	<b>13,404</b>				<b>\$ 876,198</b>

**TOTAL COST TO RESPONDENTS = \$876,198**

The total estimated burden to grantees is \$876,198.

The figures above were estimated as follows. NEA staff was consulted as to the division of respondent time between Professional Staff and Support Staff for each type of recipient. This division of labor is estimated at approximately 50% for professional staff (\$33/hour) and 50% for support staff (\$16/hour). The average hourly wage of \$24.50 was computed factoring in professional support staff wages proportionate to the amount of time each typically spends preparing reports. Salaries for personnel at nonprofit organizations and government agencies were estimated based on 1) salaries provided in the NEA's most recent submission under PRA; and 2) a sampling of salaries presented in current applications; and 3) consultation with NEA staff. Salaries for individuals were estimated based on 1) 2020-2021 average salaries for assistant professors and instructors at U.S. colleges and universities; and 2) consultation with NEA staff.

- 13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden already reflected on the burden worksheet.)**
- The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.**
  - If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**
  - Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.**

Not applicable. There are no annual costs to respondents or record keepers resulting from this collection of information.

14. **Provide estimates of annualized cost to the federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies may also aggregate cost estimates from Items 12, 13, and 14 in a single table.**

**COST TO FEDERAL GOVERNMENT**

**NEA Application/Report Review**

Type of Review	Est. # Grants	Average # of Hours per Application or Report	Total Hours	Average Hourly Wage	Total
Reports	13,404	2	26,808	\$54.50	\$1,461,036

**COST TO FEDERAL GOVERNMENT = \$1,461,036**

In the chart above, the estimated number of hours for staff review of reports is based on staff experience with these tasks over a number of years. The average hourly wages were developed in consultation with agency staff, based on the following. The review of reports averages 2 hours per report by a Final Reports Officer (average wage GS 12/Step 10). The pay here, coupled with a 30.48% fringe benefits rate, provides an estimated hourly rate of \$54.50. The total cost to federal government is calculated by estimated number of reports x average number of hours per report x average hourly wage.

15. **Explain the reasons for any program changes or adjustments reported on the burden worksheet.**

Final Descriptive Reports were previously approved under OMB Control #[3135-0140](#) (see ICR Reference No. [201809-3135-002](#)). Based on the relevant burden hours from the previous OMB control number, increases in cost burden, both for respondents and the federal government, are due primarily to: increased numbers of grant awards. From submission of the previous PRA package in 2018 to the current submission, our overall estimated number of grants has increased, from 2,507 in our last submission three years ago, to a current estimate of 10,401. This number represents an increase in application numbers from nonprofits, government, and from individuals. NEA received funds from the CARES Act and the American Rescue Plan, which increased the number of grantees and therefore, report forms substantially in 2020, 2021, and 2022. These programs collectively increased the number of reports the agency expects to receive by over 3500. In addition, the current PRA package includes three additional forms, two of which are related to a new program, that expect to receive over 350 additional reports.

The National Endowment for the Arts remains committed to supporting the arts in communities – large and small, urban and rural– throughout the country, and continues to engage in outreach activities to connect with underserved areas. In addition, the posting of our guidelines on the agency’s website and a series of guidelines webinars has increased awareness of and access to our grant opportunities for organizations and individuals throughout the country.

- 16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

The Final Descriptive Report include data pertaining to many of the agency’s strategic objectives and utilized in drafting the Agency’s Annual Performance Report. The Government Performance and Results Act (GPRA) Modernization Act and the Office of Management and Budget (OMB) require that agencies report on their performance at the end of each fiscal year. The Annual Performance Report provides information on the Agency’s progress achieving the goals and objectives described in the Agency’s Strategic Plan, including progress on strategic objectives and performance goals.

- 17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

Displaying the expiration date for OMB approval of the information collection is appropriate. The expiration date will be displayed on all reporting requirements.

- 18. Explain each exception to the certification statement identified in “Certification for Paperwork Reduction Act Submissions.”**

Not applicable. There are no exceptions to the certification statement.

## **B. Collections of Information Employing Statistical Methods**

Not applicable. This collection of information does not employ statistical methods.