

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 Chair of the National Endowment for the Arts (NEA) 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 Chair establishes eligibility requirements and criteria for the review of applications (see 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 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 NEA 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 Descriptive 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 are revising this clearance package.

We are adding six new forms to the PRA package cleared in March 2022 (ICR Reference No. 202110-3135-002 / OMB Control # 3135-0140): FY24 Standard FDR form, FY24 Arts Education FDR form, FY24 Our Town FDR form, FY24 SAA-RAO FDR form, FY24 Research FDR form, and the FY24 Subgrant Spreadsheet.

The FY24 Standard FDR form, FY24 Arts Education FDR form, FY24 Our Town FDR form, and FY24 SAA-RAO FDR form are based largely on the corresponding FY20 and Later FDR forms that were cleared in March 2022. The following substantial changes were made globally across this set of forms:

- 1) reordered and reworded narrative questions and an added progress monitoring question,
- 2) revised key partner entity type dropdown list to include additional options, such as minority-serving institutions,
- 3) removed the project activity section to reduce burden,
- 4) revised the individuals benefitted section to include more specific guidance for reporting attendance numbers for in-person and virtual activities and added a question regarding how attendee counts were generated, and
- 5) added a definition of underserved groups/communities and revised the corresponding Underserved Groups/Communities population descriptors section.

In addition to global changes, there are some unique changes:

- A) The FY24 SAA-RAO FDR form now includes a cost share/match field to aid the Agency's Office of Grants Management in ensuring subgrant reporting compliance. In addition, population descriptor questions were removed rather than revised due to the intricate coordination necessary to update the National Standard. The National Standard for Arts Information Exchanges (a.k.a. "the Standard") is a taxonomy of data fields used by state arts agencies and regional arts organization, in coordination with the National Endowment for the Arts, as a means to collect and analyze compatible information about constituents, projects, activities, and resources. These questions will be revised to match the format of the new population descriptors when the National Standard is updated in FY25.
- B) A new form was added (FY24 Research FDR), which is specifically tailored to the Agency's Research Grants in the Arts and Research Labs programs. Previously, grantees in these programs filled out the Standard FDR form that contains sections that were not relevant for these grant programs.
- C) The FY24 Subgrant Spreadsheet is largely based on the ARP LAA Subgrant Spreadsheet that was cleared in March 2022. The project-specific section (blue) of the spreadsheet was adjusted to match the FY24 Standard FDR Individuals Benefitted fields and the use of LAA was changed to "prime recipient" to ensure the form can be for general use across all Agency subgranting programs.
- D) A narrative question inquiring about short-term outcomes specific to the Our Town program were added to the FY24 Our Town FDR. The question is based on results from a previous evaluation study, an approach encouraged by OMB/OIRA.
- E) The FY24 Arts Education FDR was revised to streamline the narrative questions for Direct Learning and Professional Development projects. The Collective Impact questions were revised in response to OMB/OIRA feedback that suggested NEA focus on early indicators rather than long-term impacts of grant projects.
- F) The Creative Forces SAF was revised to update the responses on the first two questions to match the defined outcomes of the grant program and logic model.

- 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 (FDR), and subgrant data as relevant, are required to be submitted by grantees/prime recipients 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 NEA Office of Research and Analysis uses FDR and subgrant data for analysis and evaluation of grant programs. In the case of subgrants, this data is used to understand the full reach of NEA grantmaking which extends beyond direct grant awards. Subgrant data is also collected to ensure their compliance with terms and conditions of federal grants. Findings from the analyses of this data are also used in the Agency's Annual Performance Report, which is submitted to OMB and Congress.

- 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 (FDR) must be submitted to the Agency electronically. The NEA posts all of the instructions and forms for its reporting requirements on its website, under the [Manage Your Award](#) tab. FDRs 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](#). FDRs from fiscal year 2019 and earlier are submitted as fillable PDF forms. In addition, the new Participation List for the Poetry Out Loud initiative, the LAA Subgrant spreadsheet, and the new FY24 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. Additional forms, as relevant, use either electronic fillable webforms or PDF forms.

The NEA has refined its electronic reporting systems in response to government-wide initiatives (such as the Foundations for Evidence-Based Policymaking Act of 2018) 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 NEA's funding opportunities and subsequent awards are aimed specifically at sections of the country, areas of cities, and rural areas that may not be 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 NEA's 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. 87, 32465 (document 2022-11603) on May 31, 2022, to solicit comments on the "2022 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. 87, 54547 (document 2022-18845) on September 6, 2022.

NEA 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. In July 2022, NEA staff members consulted with organizations who had recently submitted an FDR to the agency. This group of former grantees cognitively tested the new key partners question and the virtual engagement question that were added to the new FDRs. The feedback from these focus groups was incorporated into the new forms. NEA cooperator National Assembly of State Arts Agencies (NASAA) also facilitated a focus group discussion with representatives from state arts agencies and regional arts organizations to collect feedback on the individuals compensated and individuals engaged in arts experiences sections of the FDR form. NASAA asked representatives questions related to their ability to collect audience counts from virtual, in-person, and hybrid events and their ability to collect data on individuals compensated; feedback from this consultation will inform future revisions to the National Standard.

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

Not applicable. The NEA 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 NEA 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 NEA. 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	13,835	2.6	35,971
Gov Agencies	1,906	3.8	7,243
Individuals	97	1	97
Totals	15,838		43,311

The total reporting requirements burden is estimated at 43,311 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 43,311 hours. With an agency-wide estimate of 15,838 grantees, this works out to an agency average of approximately 2.73 hours per response. This agency-wide average includes both nonprofits and government agencies whose reporting burden is estimated at 2.6 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.

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.

COST TO RESPONDENTS/REPORTING

Type of Recipient	Est. # of Grants	Average # of Hours per Grant Report	Total Hours	Average Hourly Wage	Total
Nonprofit Orgs	13,835	2.6	35,971	\$24.50	\$881,290
Gov Agencies	1,906	3.8	7,243	\$24.50	\$177,454
Individuals	97	1	97	\$45	\$4,365
TOTALS	15,838				\$ 1,063,109

TOTAL COST TO RESPONDENTS = \$1,063,109

The total estimated burden to grantees is \$1,063,109

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.

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	15,838	2	31,676	\$54.50	\$1,726,342

COST TO FEDERAL GOVERNMENT = \$1,726,342

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. 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 the addition of new forms to be issued alongside future grant awards. From submission of the previous PRA package in 2021 to the current submission, our overall estimated number of grants has increased, from 13,404 in our submission earlier this year, to a current estimate of 15,838. This number represents an increase in application numbers from nonprofits and government. The new forms will be issued to grantees of awards that will be made in the future. The forms that were previously cleared are still in use currently, so the new forms represent data collections to be added to the preexisting collections. To reduce burden, we have removed older forms (FY12-14 Standard and FY12-14 Livability) from the package that are no longer in use.

The NEA 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.**

FDRs 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.