

Regulatory Impact Analysis
RULE RIN# 0412-AA90

USAID Acquisition Regulation: United States Agency for International Development (USAID) Acquisition Regulation (AIDAR): Planning, Collection and Submission of Digital Information as well as submission of Activity Monitoring, Evaluation, and Learning Plans to USAID.

A. Background

USAID is proposing to amend the U.S. Agency for International Development (USAID) Acquisition Regulation (AIDAR) to implement policy and procedures to clarify and streamline contractor reporting requirements related to digital information planning, collection, and submission to USAID. Under current protocols, USAID contractors are required to submit digital information to USAID under multiple award requirements using several different information management portals. For example, contractors have historically submitted monitoring and indicator data to locally-maintained information systems in overseas missions; provided periodic reports in PDF format to the Development Experience Clearinghouse (DEC) (see AIDAR 752.7005); and submitted baseline, survey, and research-related datasets to the Development Data Library (DDL) (see USAID internal policy at Automated Directives System (ADS) chapter 302.3.5.21 available at <https://www.usaid.gov/ads/policy/300/302>). The maintenance of these separate portals has made it challenging for USAID to integrate this information strategically to render a more holistic and detailed view of its global portfolio. In addition, navigating a variety of submission formats, websites, and business processes generates workload that can be streamlined via modernized technologies and techniques. With the centralization and standardization of digital information that USAID contractors provide to the Agency, USAID anticipates that gathering key evidence to support evaluations and other performance management efforts will be greatly facilitated.

Existing contractual requirements are also silent on or insufficiently address important and emerging issues related to digital information management, such as data management planning and digital information collection standards. USAID contractors may be aware, for example, that the Agency is piloting the use of a new system technology called the Development Information Solution (DIS) across multiple missions. Award changes related to this pilot address only a part of the digital information lifecycle (e.g. indicator data submission), are limited in scope, and apply exclusively to DIS. This rule is broader in scope, intended to apply not only to DIS but to encapsulate the Agency's enterprise-wide approach to the digital information lifecycle in the years to come. Therefore, this rule provides guidance on the entire lifecycle of digital information management, including data management planning, digital collection methods and standards, licensing and consent to ensure future re-use of USAID-funded digital information. It is intended to help USAID systematically strengthen the evidence base required to implement efficient and effective foreign assistance programs and to comply with mandates such as:

- OMB Circular A-130
- Foundations for Evidence-Based Policymaking Act (“Evidence Act”) of 2018;
- 21st Century Integrated Digital Experience Act (21st Century IDEA Act);
- Foreign Aid Transparency and Accountability (FATAA) Act of 2016;
- Digital Accountability and Transparency (DATA) Act of 2014; and
- Geospatial Data Act of 2018

As contractors collect and submit digital information in adherence to standards as defined in this rule, USAID anticipates improvements to data quality, data interoperability, and the Agency’s ability to integrate data across various disciplines and geographies in a way that will greatly increase insight into programmatic performance and future scenario planning.

B. Summary of Impact

The following is a summary of the impact on contractors awarded contracts that include the new AIDAR clause. The cost estimates were developed by subject matter experts (SMEs) based on USAID’s experience collecting reports and information products through the DEC (see AIDAR 752,7005) and piloting digital data collection through the DDL and the USAID Digital Front Door.

a. Contractor costs

Total Annual Burden. This rule results in a total annualized (7% discount) public net cost of \$6.5 million, as detailed in paragraphs C.2.a through k. The annual burden considers the current baseline that contractors already prepare, maintain, and submit annual monitoring, evaluation, and learning plans (AMELPs), already remove personally identifiable information (PII) from data prior to submission, already collect standard indicator data, and already request embargoes and data submission exemptions from contracting officers’ representatives (CORs) on a case-by-case basis. Further, since contractors already submit documents and data to the DEC and DDL, these costs were removed from the overall estimated cost.

b. Government costs

Total Annual Burden. This rule results in a total annualized (7% discount) government net cost of \$1.6 million, as detailed in paragraphs D.2.a through g. The annual burden considers the current baseline that the government already reviews and approves data submission exceptions, embargoes, and AMELPs.

c. Total Public and Government Cost

Across a 20-year period, the estimated total undiscounted cost for this rule will be \$164 million. The total discounted (7%) cost for this rule will be \$86 million.

d. Benefits

This rule has extensive benefits for the public, contractors, the research community, the private sector, and the USG, though many of these benefits are challenging to quantify. Overarchingly, this rule will increase efficiency for contractors, minimize data errors, and improve the privacy and security of data. Further, this rule will help contractors to produce data assets that are trustworthy, high-quality, and usable by the general public and the research community for accountability, research, communication, and learning. For the public, there is an immense richness in the data collected by USAID and its partners around the world, and this data holds the potential to improve the lives of some of the world’s most vulnerable people. When a development project ends, the data can yield new insights for years or decades into the future. It is the responsibility of the Agency and those representing the government to ensure that data is accessible, standardized and secure.

In addition, under current protocols, USAID contractors are required to submit digital information to USAID under multiple award requirements using several different information management portals. The maintenance of these separate portals has made it challenging for USAID to integrate this information strategically to render a more holistic and detailed view of its global portfolio. By implementing these changes, USAID intends to reduce administrative burden on contractors and USG staff.

C. Public Cost/Cost Savings Analysis

1. Projected Public Cost

The following is a summary of the estimated public cost calculated over a 20-year period in 2016 dollars at a 7% discount rate:

Present Value Costs (in thousands of dollars)	\$69,275
Annualized Costs (in thousands of dollars)	\$6,539
Annualized Value Costs as of 2016 if Year 1 is 2021 (in thousands of dollars)	\$4,662

2. Cost Analysis

Data was pulled from the internal financial and contract writing systems, Federal Procurement Data System (FPDS), and USAspending.gov for USAID with funding accounts affected by this rule for FY2018-FY2020 to determine the number of contracts, entities and total spend.

The cost estimates were based on USAID’s experience engaging in digital data collection and submission through the DDL, the DEC, and the USAID Digital Front Door. SMEs also drew from their experience developing and approving data management plans and AMELPs.

a. Digital information planning

According to data from the FPDS for years 2018 to 2020, USAID awards an average of 679 new applicable prime contracts per year. The average period of performance for an applicable contract is 1.9 years. USAID estimates that on average it would take one hour of training as well

as eight hours of planning and discussion to develop a digital information plan in the first year of a contract. In subsequent years, USAID expects that it would take half that time (four hours) to maintain and modify the plan.

Estimated cost of Digital Information Planning

Year	Actions Per Year	Cost Per Hour (Hourly Wage)	Number of New Contracts	Hours per Action (New Contracts)	Number of Ongoing Contracts	Hours Per Action (Ongoing Contracts)	Total Cost Per Year (Undiscounted, in thousands of dollars)
1	1	\$67.66	679	9	0	4	\$413
2	1	\$67.66	679	9	619	4	\$581
...	1	\$67.66	679	9	619	4	\$581
20	1	\$67.66	679	9	619	4	\$581

b. Data management plan (DMP) preparation, submission, and maintenance

According to data from the FPDS for years 2018 to 2020, USAID awards an average of 679 new applicable prime contracts per year. The average period of performance for an applicable contract is 1.9 years.

Preparation: In order to determine what percentage of contracts will need a fully detailed DMP, USAID used data from the FPDS. Based on these data, USAID determined that only 60% of all applicable contracts will need a fully detailed DMP. Based on discussions with SMEs, we estimate that the average contract that requires a fully detailed DMP generates five evaluation data assets, five data quality assessment assets, three field-based monitoring assets, and one GIS dataset. SMEs estimate that a contractor will spend three hours developing a DMP for every data asset. Therefore, USAID estimates that the average contract that requires a fully detailed DMP will spend 42 hours developing a DMP in the first year of the contract. For the other 40% of contracts, USAID estimates that contractors will spend two hours filling out a very limited DMP. USAID estimates that all contractors will spend two hours being trained on data management planning in the first year of the contract.

$$(40\% * 2) + (60\% * 42) = 26 \text{ hours in the first year} + 2 \text{ hours of training in first year} = 28 \text{ hours}$$

Maintenance: In subsequent years, USAID estimates that the annual maintenance of the DMP should take half of the time originally spent in developing the DMP, or 21 hours per year, for full DMPs. General tasks will include checking to confirm that nothing has changed between years, adding any additional data assets as necessary, and modifying data assets that may have changed between the previous year. For those who did not need to develop a detailed DMP, USAID estimates that contractors will spend no hours on maintenance.

$(40\% * 0) + (60\% * 21) = 12.6$ hours in subsequent years

Submission: USAID also estimates that submitting the DMP to the COR should not take more than 30 minutes (0.5 hours), since it will involve emailing the DMP to the COR for review.

Estimated cost of DMP preparation, maintenance, and submission

Year	Actions Per Year	Cost Per Hour (Hourly Wage)	Number of New Contracts	Hours per Action (New Contracts)	Number of Ongoing Contracts	Hours Per Action (Ongoing Contracts)	Total Cost Per Year (Undiscounted, in thousands of dollars)
1	1	\$67.66	679	28.5	0	13.1	\$1,309
2	1	\$67.66	679	28.5	619	13.1	\$1,858
...	1	\$67.66	679	28.5	619	13.1	\$1,858
20	1	\$67.66	679	28.5	619	13.1	\$1,858

c. AMELP preparation, submission, and maintenance

According to data from the FPDS for years 2018 to 2020, USAID awards an average of 196 applicable prime contracts per year. The average period of performance for an applicable contract is 4 years.

Preparation: Based on discussions with SMEs, we estimate that the process of writing an AMELP should take approximately 64 hours of labor.

Maintenance: After the first year, the AMELP will need to be maintained on an annual basis, since it is a living document subject to changes based on new knowledge. We estimate that after the first year, the annual time spent maintaining the AMELP will be 32 hours per year.

Submission: Every time that the AMELP is revised, it will need to be submitted to the contracting officer’s representative for approval. We estimate that this submission process will take approximately one hour per year to complete.

However, these costs are part of the baseline, as all of this labor is currently done by USAID contractors as per contract specifications. Therefore, the costs specified above are not a new burden on USAID contractors imposed by the rule and the net change is \$0.

d. Digital data collection

According to data from the FPDS for years 2018 to 2020, USAID awards an average of 679 new applicable prime contracts per year. The average period of performance for an applicable contract is 1.9 years. USAID estimates that there are approximately 3,395 subcontracts

associated with new applicable prime contracts and 3,085 subcontracts associated with ongoing prime contracts per year. Based on discussions with SMEs, USAID estimates that 95% of contractors already have all digital technology necessary to comply with the clause. However, 5% of contractors, and therefore 5% of contracts, may not. For the 5% of contracts for whom it will be necessary to invest in digital technology, the first year will involve purchasing technology and paying for connectivity while the subsequent years will only include the cost of paying for connectivity.

Purchase/acquire the technology: Based on discussions with SMEs, we have determined that the average activity has around 60 enumerators. We estimate that to account for breakage and other issues, the average activity will need to purchase about 65 tablets. The average tablet costs around \$200. Therefore, the average cost of procuring tablets for an activity would be $\$200 \times 65 = \$13,000$ in the first year. Since only 5% of contracts will need to invest in digital technology, $\$13,000 \times 0.05 = \650 for tablet investment when averaged across all contracts.

Train staff to use digital data collection technology: We expect that staff who have never used data collection software will need training on how to do so. We anticipate that staff will need eight hours of training on how to operate the data collection software, including entering data into the program, checking for errors, storing data(saving in the field), uploading and/or aggregating collected data from multiple enumerators, and securing (encrypting) data.

0.05 of contracts * 8 * 60 enumerators for the average contract = 24 labor hours for the average contract to spend on training enumerators on how to use digital data collection technology in the first year of the contract. At a cost per hour of $\$11.73$, USAID estimates that the average cost of training in the first year will be $\$281.52$ for a given contract.

Connectivity costs will be perpetual. Based on discussions with SMEs, we estimate 3 GB per enumerator per month at $\$10$ per GB. This breaks down into an average of 2 GB per month for field enumerators and 4 GB per month for supervisors and M&E staff.

0.05 of contracts * $\$30$ * 60 enumerators for average contract = $\$90$ per year for average contract

Year 1: Total cost of purchasing technology + total connectivity costs + Total cost to train enumerators = $\$1,021.52$

Years 2 through 20: Total connectivity costs = $\$90$

Estimated cost of digital data collection

Year	Actions Per Year	Cost Per New Action	Number of New Contracts	Number of Ongoing Contracts	Cost Per Ongoing Action (Ongoing Contracts)	Total Cost Per Year (Undiscounted, in thousands of dollars)
1	1	\$1,021.52	3,395	0	\$90	\$ 3,468

2	1	\$1,021.52	3,395	3,085	\$90	\$ 3,746
...	1	\$1,021.52	3,395	3,085	\$90	\$ 3,746
20	1	\$1,021.52	3,395	3,085	\$90	\$ 3,746

e. Registration on USAID’s Digital Front Door

According to data from the FPDS for years 2018 to 2020, USAID awards an average of 679 new applicable prime contracts per year. The average period of performance for an applicable contract is 1.9 years. USAID estimates that each contractor will create two user accounts per contract, even though only one user will report indicator data quarterly. USAID estimates that initial registration would take approximately 30 minutes per account. After the first year, USAID estimates that contractors will create no additional accounts.

Estimated cost of registration on USAID’s Digital Front Door

Year	Actions Per Year	Cost Per Hour (Hourly Wage)	Number of New Contracts	Hours per Action (New Contracts)	Total Cost Per Year (Undiscounted, in thousands of dollars)
1	2	\$51.26	679	0.5	\$34.81
2	2	\$51.26	679	0.5	\$34.81
...	2	\$51.26	679	0.5	\$34.81
20	2	\$51.26	679	0.5	\$34.81

f. Remove PII from data prior to submission

According to data from the FPDS for years 2018 to 2020, USAID awards an average of 679 new applicable prime contracts per year. The average period of performance for an applicable contract is 1.9 years. Based on experience, USAID estimates that it will take around 16.25 minutes per applicable dataset to remove PII. The applicable datasets will be the type of data being submitted to the DDL at this time. Therefore, it will take 1.08 datasets per contract per year x 16.25 minutes per dataset = 0.29 hours per year to remove PII from applicable datasets. However, all of this labor is currently done by USAID contractors as per contract specifications. Therefore, the costs specified above are not a new burden on USAID contractors and the net change in cost imposed by the rule is \$0.

g. Data submission

According to data from the FPDS for years 2018 to 2020, USAID awards an average of 679 new applicable prime contracts per year. The average period of performance for an applicable contract is 1.9 years. Estimates are based on partner and staff experience during 2015, during user experience testing, and confirmed by SMEs as still relevant in 2021. Time estimates for each of the data processing steps are as follows:

Development Experience Clearinghouse: 7.5 submissions per year per contract (on average) x 15 mins per submission = 1.875 hours per year per contract

Development Data Library: Detailed time estimates broken down by the standard steps of the process are as follows:

1. Create Codebook = 250 minutes
Assumes a spreadsheet with 50 columns, requiring 5 minutes of documentation per column)
2. Convert to Non-Proprietary Format = 2.5 minutes
3. Complete Submission Form = 20 minutes
4. Upload Dataset = 12.5 minutes

Total Time Estimate = 4.75 hours (285 minutes) (summation of the five steps above)

1.1 datasets per year per contract (on average) x 4.75 hours per dataset = 5.13 hours per year per contract

Digital Front Door: Based on the pilot, USAID estimates that USAID contractors will spend 15 mins per quarter (1 hour per year) submitting indicators via the USAID Digital Front Door = 1 hour per year per contract for indicators.

USAID also estimates that USAID contractors will spend 15 mins per quarter (1 hour per year) submitting geospatial activity location data for every activity/contract via the Digital Front Door = 1 hour per year per contract for geospatial data.

For all data submission, the total components sum to 9 hours per year per contract (5.13 hours for the DDL + 2 hours for the Digital Front Door + 1.875 hours for the DEC, described above) and 23.56 actions per contract per year. Therefore, USAID estimates that contractors will spend 0.38 hours per action per contract per year.

Estimated future cost of data submission

Year	Actions Per Year (New and ongoing)	Cost Per Hour (Hourly Wage)	Number of New Contracts	Hours per Action (New Contracts)	Number of Ongoing Contracts	Hours Per Action (Ongoing Contracts)	Total Cost Per Year (Undiscounted, in thousands of dollars)
1	23.6	\$67.66	679	0.38	0	0.38	\$412
2	23.6	\$67.66	679	0.38	619	0.38	\$787
...	23.6	\$67.66	679	0.38	619	0.38	\$787
20	23.6	\$67.66	679	0.38	619	0.38	\$787

However, USAID contractors are already doing the majority of this labor. The only new costs these clauses will impose on contractors are those related to the submission of data via the Digital Front Door. For these currently implemented components of data submission, the components sum to 7 hours per year (5.13 hours for the DDL + 1.875 hours for the DEC, detailed above) per contract and 15.58 actions per year per contract. Therefore, USAID estimates that contractors currently spend 0.45 hours per action per contract per year.

Estimated current baseline of data submission

Year	Actions Per Year (New and ongoing)	Cost Per Hour (Hourly Wage)	Number of New Contracts	Hours per Action (New Contracts)	Number of Ongoing Contracts	Hours Per Action (Ongoing Contracts)	Total Cost Per Year (Undiscounted, in thousands of dollars)
1	15.58	\$67.66	679	0.45	0	0.45	\$322
2	15.58	\$67.66	679	0.45	619	0.45	\$617
...	15.58	\$67.66	679	0.45	619	0.45	\$617
20	15.58	\$67.66	679	0.45	619	0.45	\$617

Net increase in cost of data submission (Undiscounted, in thousands of dollars)

Year	Estimated future cost of data submission	Estimated current baseline of data submission	Net change in cost of data submission
1	\$412	\$322	\$90
2	\$787	\$617	\$170
...	\$787	\$617	\$170
20	\$787	\$617	\$170

h. Request data submission exemption from COR due to data sensitivity concerns

According to data from the FPDS for years 2018 to 2020, USAID awards an average of 679 new applicable prime contracts per year. The average period of performance for an applicable contract is 1.9 years. Based on discussions with USAID Data Services statisticians who handle data with sensitivity issues, USAID concluded that no more than 15% of all data submissions are likely to require a request to the COR. USAID estimates that the time spent emailing the COR regarding the exemption would be no more than 15 minutes per email. This would be 8.58 submissions per award (as described above) x .15 = 1.287 submissions per year per award x (0.25) = 0.32 hours per year.

However, all of this labor is currently done by USAID contractors as per contract specifications. Therefore, the costs specified above are not a new burden on USAID contractors and the net change in cost imposed by the rule is \$0.

- i. Request an embargo on the public release of the Digital Object from the COR

USAID awards an average of 679 new applicable prime contracts per year. The average period of performance for an applicable contract is 1.9 years. Based on experience, USAID concluded that no more than 5% of all data submissions are likely to require a request to the COR for an embargo. USAID estimates that the time spent emailing the COR regarding the embargo would be no more than 15 minutes per email. This would be 8.58 submissions per award (as described above) x 0.05 = 0.43 submissions per year per award x (0.25) = 0.108 hours per year.

However, all of this labor is currently done by USAID contractors as per contract specifications. Therefore, the costs specified above are not a new burden on USAID contractors. This requirement is no different than prior to the rule and no additional cost is added as a result of the rule. The net change in cost from the current baseline is \$0.

- j. Plan for the regular and systematic collection of feedback from beneficiaries

According to data from the FPDS for years 2018 to 2020, USAID awards an average of 196 applicable prime contracts per year. The average period of performance for an applicable contract is 4 years. Based on discussions with SMEs, we estimate that the process of planning for the regular and systematic collection of feedback from beneficiaries will take eight hours in the first year and four hours per year thereafter.

Estimated cost planning for the regular and systematic collection of feedback from beneficiaries

Year	Actions Per Year	Cost Per Hour (Hourly Wage)	Number of New Contracts	Hours per Action (New Contracts)	Number of Ongoing Contracts	Hours Per Action (Ongoing Contracts)	Total Cost Per Year (Undiscounted, in thousands of dollars)
1	1	\$67.66	196	8	0	4	\$106
2	1	\$67.66	196	8	196	4	\$159
3	1	\$67.66	196	8	392	4	\$212
...	1	\$67.66	196	8	588	4	\$265
20	1	\$67.66	196	8	588	4	\$265

- k. Collection of standard indicator data

According to data from the FPDS for years 2018 to 2020, USAID awards an average of 196 applicable prime contracts per year. The average period of performance for an applicable contract is 4 years. Based on discussions with SMEs, USAID estimates that the process of collecting data for one standard indicator will take 21 hours. USAID estimates that the average

applicable contract involves data collection for 6.4 standard indicators. This estimate is based on review of Activity MEL plans retrieved from the USAID DEC. USAID searched the DEC for documents with “MEL plan” in the title that were uploaded from 2018 and 2020. In total, USAID included fifteen MEL plans in the calculation after excluding documents that were not actually MEL plans, not MEL plans for contracts, duplicates, or MEL plans that did not provide sufficient information on the number of standardized indicators.

Therefore, it will take 6.4 indicators per contract per year x 21 hours per contract = 134.4 hours per year per contract to collect standard indicator data. However, all of this labor is currently done by USAID contractors as per contract specifications. Therefore, the costs specified above are not a new burden on USAID contractors and the net change in cost imposed by the rule is \$0.

3. Assumptions

- a. USAID consulted SMEs to estimate the number of hours and expertise required for each element estimated above. For all costs per hour, USAID used a fringe factor of 1.3625, as per OMB Memo M-08-13, dated March 11, 2008. For paragraphs C.2.e, C.2.h, and C.2.i, the cost per hour is based on the May 2019 U.S. Bureau of Labor Statistics wage data for the mean hourly cost of Occupation Code 13-1198, Project Management Specialists and Business Operations under NAICS Code: 541990 - All Other Professional, Scientific, and Technical Services. For paragraphs C.2.a, C.2.b, C.2.c, C.2.f, C.2.g, C.2.j, and C.2.k, the cost per hour is based on the May 2019 U.S. Bureau of Labor Statistics wage data for the mean hourly cost of Occupation Code 15-2041, Statistician under NAICS Code: 541000 - Professional, Scientific, and Technical Services. For paragraph C.2.d, we estimated that this will be done by someone at the Foreign Junior level, since enumerators often have an undergraduate degree. Foreign contractor and subcontractor wages in countries where the U.S. provides development assistance are considerably lower than those paid by the U.S. firms to its employees. Based on USAID’s experience, foreign contractors often pay comparable or lower rates than the rates paid by the U.S. government to its local employees in these countries. Thus, the labor rates used for foreign contractor and subcontractor calculations are based on the compensation that the USG provides to its locally-employed staff (referred to as Cooperating Country Nationals (CCNs)) throughout this document). To arrive at the average rate, USAID used the local rates for the following countries: Kenya, South Africa, Nigeria, Tanzania, Uganda, Zambia, Bangladesh and Vietnam. These countries represent locations where significant amounts of development funds are spent across several regions.
- b. The data obtained from FPDS was for applicable USAID awards between 2018 and 2020. The number of annual contract awards was relatively stable during this 3-year period, so USAID used the average over the three years. For the contracts for which the digital information clause is applicable, the average performance period was estimated to be 1.91 years. For the contracts for which the AMELP clause is applicable, the average performance period was estimated to be four years.

- c. To proxy for the percentage of contracts for which full data management plans will be applicable, USAID used the percentage of contracts for which AMELPs are applicable, which is 60% of contracts.

Based on discussions with SMEs, USAID assumes that only 5% of all contractors use no field digital data collection technology (e.g. survey tools, tablets) and are starting from scratch, but that they do have office computers. Based on these assumptions, the average contract only has a 5% chance of needing these costs at all. USAID also assumes that the data collection software will cost nothing, since Open Data Kit is the standard tool and it is free. USAID also assumes a basic level of digital technology literacy from contractors, though not specialized skills in digital data collection.

USAID estimated that there would be an average of five subcontractors per prime contractor. This is based on a 2017 Economist analysis¹ of 4,500 subcontracts since 2010 from USAID.

D. Government Cost/Cost Savings Analysis

1. Projected Government Cost

The following is a summary of the estimated Government cost calculated in over a 20 year period in 2016 dollars at a 7% discount rate:

Present Value Costs (in thousands of dollars)	\$17,067
Annualized Costs (in thousands of dollars)	\$1,611
Annualized Value Costs as of 2016 if Year 1 is 2021 (in thousands of dollars)	\$1,149

2. Cost Analysis

Data was pulled from the internal financial and contract writing systems, FPDS, and USAspending.gov for USAID with funding accounts affected by this rule for FY2018-FY2020 to determine the number of contracts, entities and total spend.

The cost/savings estimates were based on USAID’s experience engaging in digital data collection and submission through the DDL, the DEC, and the USAID Digital Front Door. SMEs also drew from their experience developing and approving DMPs and AMELPs.

- a. COR review and approval of DMP

¹

<https://www.economist.com/international/2017/05/06/a-growing-share-of-aid-is-spent-by-private-firms-not-charities>

According to data from the FPDS for years 2018 to 2020, USAID awards an average of 679 new applicable prime contracts per year. The average period of performance for an applicable contract is 1.9 years. To read through and evaluate the DMP in the first year, USAID estimates that CORs will need to spend between 1 and 4 hours with it (average 2.5). CORs will also likely need 2 hours of training in order to be comfortable reviewing DMPs. After the first year, CORs will probably only spend one hour per year at most reviewing any changes to the DMP.

Estimated cost of COR review and approval of DMP

Year	Actions Per Year (New and ongoing)	Cost Per Hour (Hourly Wage)	Number of New Contracts	Hours per Action (New Contracts)	Number of Ongoing Contracts	Hours Per Action (Ongoing Contracts)	Total Cost Per Year (Undiscounted, in thousands of dollars)
1	1	\$64.56	679	4.5	0	1	\$197
2	1	\$64.56	679	4.5	619	1	\$237
...	1	\$64.56	679	4.5	619	1	\$237
20	1	\$64.56	679	4.5	619	1	\$237

- b. COR will consider and approve/deny any requests for long term alternatives to producing/collecting data only in a digital format.

According to data from the FPDS for years 2018 to 2020, USAID awards an average of 679 new applicable prime contracts per year. The average period of performance for an applicable contract is 1.9 years. USAID estimates that on average it would take two hours in the first year to consider and approve/deny any requests and no additional time after that.

Estimated cost of COR approving/denying requests for digital data collection

Year	Actions Per Year (New and ongoing)	Cost Per Hour (Hourly Wage)	Number of New Contracts	Hours per Action (New Contracts)	Total Cost Per Year (Undiscounted, in thousands of dollars)
1	1	\$64.56	679	2	\$88
2	1	\$64.56	679	2	\$88
...	1	\$64.56	679	2	\$88
20	1	\$64.56	679	2	\$88

- c. COR review and approval of submissions to USAID Digital Front Door

According to data from the FPDS for years 2018 to 2020, USAID awards an average of 679 new applicable prime contracts per year. The average period of performance for an applicable contract is 1.9 years.

USAID Digital Front Door: Based on discussions with SMEs, USAID estimates that CORs will spend 1 hour per quarterly response for the Digital Front Door x 4 submissions per year = 4 hours per year per contract.

DDL: Based on discussions with SMEs and historical data from the DDL, USAID estimates that CORs will spend 1 hour to review submission and make sure it contains all necessary artifacts per dataset for DDL for 1.08 submissions per year on average = 1.08 hours per year per contract.

DEC: Based on discussions with SMEs and historical data from the DEC, USAID estimates that CORs will spend 15 minutes to review every submission for (5-10) 7.5 submissions per year per contract (on average) = 1.875 hours per year per contract.

Overall, USAID estimates that CORs will 6.955 hours per year per contract over 15.58 submissions per year = 0.45 hours per year per contract per submission.

In the initial year, we also estimate an additional 1 hour for the COR to receive training on the specifics of the clause.

Estimated cost of COR review and approval of submissions to USAID Digital Front Door

Year	Actions Per Year (New and ongoing)	Cost Per Hour (Hourly Wage)	Number of New Contracts	Hours per Action (New Contracts)	Number of Ongoing Contracts	Hours Per Action (Ongoing Contracts)	Total Cost Per Year (Undiscounted, in thousands of dollars)
1	15.6	\$64.56	679	1.45	0	0.45	\$992
2	15.6	\$64.56	679	1.45	619	0.45	\$1,272
...	15.6	\$64.56	679	1.45	619	0.45	\$1,272
20	15.6	\$64.56	679	1.45	619	0.45	\$1,272

d. COR review and approval of an embargo on the public release of the Digital Object

According to data from the FPDS for years 2018 to 2020, USAID awards an average of 679 new applicable prime contracts per year. The average period of performance for an applicable contract is 1.9 years. Based on experience, USAID concluded that no more than 5% of all data submissions are likely to require a request to the COR for an embargo. USAID estimates that the time spent emailing the COR regarding the embargo would be no more than 15 minutes per email. This would be 8.58 submissions per award (as described above) x 0.05 = 0.43 submissions per year per award x (0.25) = 0.108 hours per year. However, CORs already review and approve

embargo requests prior to the public release of a Digital Object. Therefore, the costs specified above are not a new burden on the government. As such, the estimated new burden of COR review and approval of an embargo on the public release of the Digital Object is \$0.

e. COR review and approval of AMELP

According to data from the FPDS for years 2018 to 2020, USAID awards an average of 196 applicable prime contracts per year. The average period of performance for an applicable contract is 4 years. Based on discussions with CORs, USAID estimates that in the first year, CORs and other SMEs will spend about 64 hours reviewing, discussing, and getting to the point of approval with contractors on their AMELPs. After that, the time will be significantly less, with USAID estimating an average of 32 hours a year spent reviewing AMELPs in subsequent years. However, CORs already review and approve AMELPs. Therefore, the costs specified above are not a new burden on the government. As such, the estimated new burden of COR review and approval of an AMELP is \$0.

f. COR review and approval of data submission exemption due to data sensitivity concerns

According to data from the FPDS for years 2018 to 2020, USAID awards an average of 679 new applicable prime contracts per year. The average period of performance for an applicable contract is 1.9 years. USAID estimates that on average it would take 15 minutes per year for a COR to review and approve/deny a data submission exemption due to data sensitivity concerns. Based on experience, USAID estimates that no more than 15% of all DEC and DDL submissions require review by the COR related to data sensitivity concerns. This would be 8.58 submissions per award \times .15 = 1.287 submissions per year per award \times 15 = 19.3 minutes per year. This is 0.32 hours per year. However, CORs already review and approve data submission exemptions due to data sensitivity concerns. Therefore, the costs specified above are not a new burden on the government. As such, the estimated new burden of COR review and approval of data submission exemption due to data sensitivity concerns is \$0.

g. COR approval of contractor registration in USAID Digital Front Door

According to data from the FPDS for years 2018 to 2020, USAID awards an average of 679 new applicable prime contracts per year. The average period of performance for an applicable contract is 1.9 years. USAID estimates that on average it would take 30 minutes for a COR to approve each of two contractor registrations per contract in the USAID Digital Front Door.

Estimated cost of COR approving/denying requests for digital data collection

Year	Actions Per Year (New and ongoing)	Cost Per Hour (Hourly Wage)	Number of New Contracts	Hours per Action (New Contracts)	Total Cost Per Year (Undiscounted, in thousands of dollars)
1	2	\$64.56	679	0.5	\$44
2	2	\$64.56	679	0.5	\$44

...	2	\$64.56	679	0.5	\$44
20	2	\$64.56	679	0.5	\$44

3. Assumptions

- a. USAID consulted SMEs to estimate the number of hours and expertise required for each element estimated above. For all costs per hour, USAID used a fringe factor of 1.3625, as per OMB Memo M-08-13, dated March 11, 2008. USAID calculated the hourly rates using equivalent rates from the Office of Personnel Management (OPM) 2016 General Schedule for the rest of the U.S. locality pay.
- b. The data obtained from FPDS was for applicable USAID awards between 2018 and 2020. The number of annual contract awards was relatively stable during this 3-year period, so USAID used the average over the 3 years. For the contracts for which the digital information clause is applicable, the average performance period was estimated to be 1.91 years. For the contracts for which the AMELP clause is applicable, the average performance period was estimated to be four years.
- c. The Digital Front Door is being developed outside of this rulemaking effort and so the costs are not included here.

E. Total Costs

The following is a summary of the estimated public and government costs calculated over 20 years in 2016 dollars at a 7% discount rate:

Year	Public	Government	Total
1	\$5,504,189	\$1,319,075	\$6,823,264
2	\$6,548,487	\$1,639,216	\$8,187,703
3	\$6,601,533	\$1,639,216	\$8,240,749
...	\$6,654,581	\$1,639,216	\$8,293,797
20	\$6,654,581	\$1,639,216	\$8,293,797
Total undiscounted costs			\$164,195,519
Present Value (PV) of Costs Discounted at 7%			\$86,341,190
Annualized Costs Discounted at 7%			\$8,149,998

F. Benefit Analysis

In addition to the costs enumerated above, this rule has extensive benefits, though many of these benefits are challenging to quantify.

a. Planning

i. Digital information planning and data management planning

By planning in advance how to use digital approaches for information collection, contractors will be prepared to use an approach that will increase their efficiency (contractors will not have to transcribe analog surveys/interviews into digital information prior to submission to USAID), minimize data errors (transcription errors are common), and improve the privacy and security of data collected from beneficiaries.

DMPs as a component of data management planning, promote the management of data assets across a full data lifecycle, and will help contractors to produce data assets for the government that are trustworthy, high-quality, and usable by the general public and the research community for accountability, research, communication, and learning. Some examples of the potential and reach of the Agency's data show that policy institutes have used these data to generate new insights on subjects such as public-private partnerships and food security; USAID contractors have used these data to tailor disaster interventions, respond to outbreaks of disease, and enhance earning potential in low-income areas by sharing data on local market prices; and USAID staff have accessed these data to analyze and adapt the Agency's approach to foreign assistance programming.

As an exercise, if we assume that the roughly 12,000 USAID staff spend even one hour more than they would have had to otherwise over the course of a year trying to reuse poorly planned digital information that is lacking in proper documentation and metadata, and we assume each hour of their time is worth \$45.29 (estimated rate for GS 11): $12,000 \times 1 \text{ hour} \times \$45.29 = \$543,480$ in productivity loss per year. This is almost certainly an underestimate, since most USAID staff use digital information and USAID staff likely spend more than an hour each trying to work with poorly planned digital information. Some USAID staff also work with digital information as their primary job function.

DMPs also help contractors clarify resource needs and timelines in advance of implementation, ensuring that contractors are prepared to manage data as a strategic asset throughout the life of their activity. Further, DMPs help contractors plan for compliance with US and local laws in regard to the data gathered as part of a given activity. Performing risk mitigation on well-planned data is also less costly than going through the process(es) of data cleaning, formatting, redacting, and aggregating unplanned and poorly collected, processed and analysed data. [Note: Simply passing on unplanned, poorly constructed data assets is not consistent with the Evidence Act.]

ii. *Activity MEL Plans*

The AMELP describes the expected monitoring, evaluation, and Collaborating, Learning, and Adapting (CLA) efforts of the contractor of a USAID activity over a specified period of time. Activity MEL plans set common expectations for USAID and contractors for determining whether an activity is making progress toward stated results to reduce potential disagreements during implementation. By prioritizing monitoring, evaluation, and learning tasks, the plan helps contractors set appropriate budgets for these tasks and allocate the appropriate personnel resources. The plan also helps contractors ensure that they have the information needed to inform management decision-making and justify necessary adaptations to their activity.

By specifically planning for the regular and systematic collection of feedback from beneficiaries, contractors have the opportunity to avoid common data collection pitfalls in regard to survey methodology, technology, and cadence. These data, if collected well, will be instrumental in allowing contractors to practice adaptive management throughout an activity.

Further, since 2018, the U.S. Congress has added a special provision to USAID annual budget appropriation requiring that USAID (1) make development assistance funds available for the regular and systematic collection of feedback from beneficiaries, (2) provide procedures to implementing partners for collecting, responding, and reporting on beneficiary feedback, and (3) conduct oversight to ensure that such feedback is regularly collected and used. The requirement for a MEL plan is a crucial step to ensuring that USAID implementing partners incorporate the collection and reporting of beneficiary feedback in their monitoring plans and enables USAID to conduct the oversight of beneficiary feedback collection required by appropriation law.

b. Digital data collection

When contractors are able to collect data directly by using digital technology, they are more accurate and efficient than when they transcribe analog surveys/interviews into digital information prior to submission to USAID. A digital data collection approach will ultimately produce data that are of a higher quality and more usable by the USG, research community, private sector, and general public.

c. Submission of digital information using USAID's Digital Front Door

Under current protocols, USAID contractors are required to submit digital information to USAID under multiple award requirements using several different information management portals. For example, contractors have historically submitted monitoring and indicator data to locally-maintained information systems in overseas missions; provided periodic reports in PDF format to the DEC (see AIDAR 752.7005); and submitted baseline, survey, and research-related

datasets to the DDL (see USAID internal policy at ADS chapter 302.3.5.21 available at <https://www.usaid.gov/ads/policy/300/302>). The maintenance of these separate portals has made it challenging for USAID to integrate this information strategically to render a more holistic and detailed view of its global portfolio. In addition, navigating a variety of submission formats, websites, and business processes generates workloads that can be streamlined via modernized technologies and techniques. USAID anticipates gathering key evidence to support evaluations and other performance management efforts will be greatly facilitated with the centralization and standardization of digital information that USAID contractors provide to the Agency. Further, by implementing these changes, USAID intends to reduce administrative burden on contractors and USG staff.

As another exercise, if we assume that the roughly 12,000 USAID staff spend even one hour more than they would have had to otherwise looking for digital information located across different portals and platforms and we assume each hour of their time is worth \$45.29 (estimated rate for GS 11): $12,000 \times 1 \text{ hour} \times \$45.29 = \$543,480$ in productivity loss per year. This is almost certainly an underestimate and also does not take into account the potential productivity improvements for contractors, who no longer have to submit digital information to multiple platforms and maintain accounts on those multiple platforms.