

**Supporting Statement Part B for the
Payments Research Survey
(FR 3067; OMB No. 7100-0355)**

Summary

For all information collections that involve surveys or require a statistical methodology, the Board of Governors of the Federal Reserve System (Board) is required to provide a complete justification and explanation of the use of such a methodology. For collections that employ surveys without such a methodology, the Board should be prepared to justify its decision not to use statistical methods in any case where such methods might reduce burden or improve accuracy of results.

Background

The Federal Reserve System has a long history of conducting surveys, including surveys of depository institutions, financial and nonfinancial businesses and related entities, individual consumers, and households. Often, the surveys have provided the only reliable source of data for the subject covered by the surveys. Although these surveys have been driven by specific needs of the Board, when published, their aggregated findings have also been used extensively by researchers outside the Board and have been widely cited by the media.

Several functional areas of the Board occasionally need to gather data on a timely basis from the public on their payment habits, economic condition, and financial relationships, as well as their attitudes, perceptions, and expectations. The Board may have a particular need for data during times of critical economic or regulatory change or when issues of immediate concern arise from Federal Reserve System committee initiatives and working groups or from Congress. Completion of the full information collection approval process for a new survey under such circumstances can pose a serious obstacle to collecting and processing data that are both accurate and timely. Therefore, the Board will continue the Payments Research Survey to allow for the timely collection of ad hoc data in such situations without the delay associated with the regular approval process.

The scope of the FR 3067 is intended to provide the Board the ability to respond promptly to the need to collect data relating to its supervisory, regulatory, fiscal, and operational responsibilities, as well as support payments research.

Universe and Respondent Selection

Respondents for surveys conducted under the FR 3067 may consist of depository institutions, including bank holding companies, savings and loan holding companies, Edge or agreement corporations, and intermediate holding companies and agencies of foreign banks, financial and nonfinancial businesses, for profit and nonprofit enterprises, federal, state, and local governments, individual consumers, or households. In the past, a variety of sampling strategies have been employed, ranging from quota sampling, convenience sampling, and in

some cases probability sampling for some of the smaller institutions in order to ensure the necessary response rates.

Procedures for Collecting Information

The survey topics are time sensitive and the questions of interest vary with the focus of the survey. Because the relevant questions may change with each survey, there is no fixed reporting form. For each survey, the Board, in consultation with any partners, prepares questions of specific topical interest and then determines the relevant target group to contact.

The FR 3067 may be implemented through interviewer-mediated, face-to-face, or telephone interviews; self-administered surveys using paper questionnaires, the telephone, or the Internet; focus group discussions; cognitive interviews; or other formats. The size of the samples and the length of the data collection period may vary depending on the particular informational needs.

Written qualitative questions or questionnaires may include categorical questions, yes-no questions, ordinal questions, and open-ended questions. Written quantitative surveys may include dollar amounts, percentages, numbers of items, interest rates, and other such information. These data will only be collected if the request is time-sensitive or adequate data of this sort is not available from any other source. These quantitative surveys would be used to enable the Board to collect a limited amount of data from a defined set of participants in the event of an immediate and critical need for specific information. These surveys would be used for data that are not collected on any other reporting form or on the same frequency as other substantively similar data. Less structured information collection studies, such as focus groups or cognitive interviews, may use a set of qualitative and quantitative questions as a guide but could allow a more extended discussion of the topic to evolve.

Methods to Maximize Response

Response rates can vary widely depending on the nature of each survey and the intended respondent groups. In the past, we have experienced response rates between 5% and 50%, with larger institutions being more likely to respond and smaller institutions and individuals being less likely. While there are no standard methods being utilized to maximize the response rates for all surveys, some may be employed on a case-by-case basis.

Testing of Procedures

There has been no pre-testing of procedures.