SUPPORTING STATEMENT - PART A

Child Annuitant’s School Certification – 0730-0001

1. Need for the Information Collection

The Defense Finance and Accounting Service (DFAS) is given the authority by 10 U.S.C 1435, “Eligible Beneficiaries,” and 10 U.S.C. 1447, “Survivor Benefit Plan,” to offer benefit payments to annuitants between the ages of 18 and 22, when attending studies at a recognized education institution. The DoD Financial Management Regulation (FMR) 7000.14, Volume 7B, titled “Military Pay Policy – Retired Pay,” will be updated to instruct the child annuitant or payee to self-certify attendance to continue studying or training each semester (or any other period in which the school year is divided). Without this certification, funds cannot be released to annuitant/payee.

2. Use of the Information

The Child Annuitant’s School Certification (DD Form 2788) is generated by the Defense Retired and Annuitant System (DRAS). DRAS identifies the child annuitant prior to their 18th birthday and sends initial mailing. Annuity Pay System downloads child annuitant information into DRAS when retiree is deceased. After the initial mailing, the child annuitant (18 and over) or payee receives the form and flex letter annually. Each semester or other period in which the school year is divided, thereafter, the respondent is required to complete and return via mail, fax or email to the DFAS as indicated on the form/letter. The child will certify as to his or her intent for future enrollment. DFAS reviews the completed form/letter and uses the information to determine eligibility and release funds. Respondents are annuitants between the age of 18 and 22 and payees for the children under age 18.

When notification is sent to child annuitant or payee, a cover letter explaining the need and how respondent may return the requirement documents is sent along with the form/letter. This cover letter is being submitted as part of the OMB submission package.

The form is available on the DoD Forms website (<http://www.dtic.mil/whs/directives/forms/index.htm>). The Privacy Act Statement and Agency Disclosure Notice are available to the respondent on the form.

3. Use of Information Technology

The DD Form 2788 is available in fillable PDF format from the DoD forms repository. Respondents may access the form from the website, print, fax or mail/e-mail the completed form for processing. However, most of the forms are sent to the respondent for completion and returned by mail, with 15% received electronically.

4. Non-duplication

The information obtained through this collection is unique and is not already available for use or adaptation from another cleared source.

5. Burden on Small Businesses

This information collection does not impose a significant economic impact on a substantial number of small businesses or entities.

6. Less Frequent Collection

If DFAS does not receive the information, annuity payments are suspended. The requirement to complete the form ensures annuity eligibility and helps alleviate the opportunity for fraud and abuse of dependent benefits.

*7.* Paperwork Reduction Act Guidelines

This collection of information does not require collection to be conducted in a manner inconsistent with the guidelines delineated in 5 CFR 1320.5(d)(2).

8. Consultation and Public Comments

Part A: PUBLIC NOTICE

A 60-Day Federal Register Notice (FRN) for the collection published on Tuesday, February 28, 2023. The 60-Day FRN citation is 88 FR 12665.

No comments were received during the 60-Day Comment Period.

A 30-Day Federal Register Notice for the collection published on Wednesday, May 24, 2020. The 30-Day FRN citation is 88 FR 33590

Part B: CONSULTATION (2-4 sentences)

No additional consultation apart from soliciting public comments through the Federal Register was conducted for this submission.

9. Gifts or Payment

No payments or gifts are being offered to respondents as an incentive to participate in the collection.

10. Confidentiality

Respondents are assured confidentiality, to the extent permitted by law, via the Privacy Act Statement at the beginning of the form. DFAS certifies that the information collected is maintained in accordance with the Privacy Act of 1974, and OMB Circular A-130, Management of Federal Information Resources.

The SORN covering this system is titled T7347b, “Defense Military Retiree and Annuity Pay System Records, ” and can be found at: <https://dpcld.defense.gov/Privacy/SORNsIndex/DOD-wide-SORN-Article-View/Article/570196/t7347b/>. In addition, DFAS is in the process of updating the SORN — a draft copy of this updated version is included in the submission to OMB.

The PIA covering this collection is titled “Defense Military Retiree and Annuity Pay System Records,” and can be found at: <https://www.dfas.mil/dam/jcr:5cf8a068-89c7-47eb-b844-1e2020ed5f73/Defense%20Retiree%20and%20Annuitant%20Pay%20System%20(DRAS)%202016.pdf>.

The Records Retention for this collection states that “Disposition for Retired and Annuitant Pay records range from 30 days to 56 years. The administrative records such as, change of address, electronic messages or tax records, that are not pay affecting, are destroyed using retention of 30 days to less than 6 years. All pay affecting documents such as retirement documents, account computation information or entitlement/ eligibility records are retained for six years or more and the pay histories are retained for 56 years. Records are destroyed by tearing, shredding, pulping, macerating, burning, or degaussing the electronic storage media.”

Records retention for these forms is 6 years as stated in the DFAS 5015.2-M, Records Disposition Schedules under schedule 7347, rule 2.

11. Sensitive Questions

Disclosure of the Social Security Number (SSN) is used for positive identification of the individual requesting benefit. An SSN Justification Memo is being submitted as part of the OMB submission package and has the full listing of all acceptable uses.

12. Respondent Burden and its Labor Costs

Part A: ESTIMATION OF RESPONDENT BURDEN

1. Collection Instrument(s)

[DD Form 2788]

1. Number of Respondents: 7200
2. Number of Responses Per Respondent: 1
3. Number of Total Annual Responses: 7200
4. Response Time: 0.5 hrs
5. Respondent Burden Hours: 3600 hours
6. Total Submission Burden (Summation or average based on collection)
   1. Total Number of Respondents*:* 7200
   2. Total Number of Annual Responses: 7200
   3. Total Respondent Burden Hours: 3600 hours

Part B: LABOR COST OF RESPONDENT BURDEN

1. Collection Instrument(s)

[DD Form 2788]

1. Number of Total Annual Responses:7200
2. Response Time: 0.5 hrs
3. Respondent Hourly Wage: $7.25
4. Labor Burden per Response *(P: B multiplied by C)*: $3.625
5. Total Labor Burden *(P: A multiplied by B multiplied by C)*: $26,100
6. Overall Labor Burden
   1. Total Number of Annual Responses: 7200
   2. Total Labor Burden: $26,100

The Respondent (Annuitant or Payee) hourly wage was determined by using the Department of Labor (<https://www.dol.gov/general/topic/wages/minimumwage>), March 20, 2020.

13. Respondent Costs Other Than Burden Hour Costs

The respondent responsible for postage costs to return the form is the child annuitant or payee. The cost is $2,376.00 (4320 forms (60% of 7200 returned by mail) x $.55 postage).

14. Cost to the Federal Government

Part A: LABOR COST TO THE FEDERAL GOVERNMENT

1. Collection Instrument(s)

[DD Form 2788]

1. Number of Total Annual Responses: 7200
2. Processing Time per Response: 5 min
3. Hourly Wage of Worker(s) Processing Responses : $18.23
4. Cost to Process Each Response: $1.51
5. Total Cost to Process Responses: $10,872
6. Overall Labor Burden to the Federal Government
   1. Total Number of Annual Responses*:* 7200
   2. Total Labor Burden: $10,872

Part B: OPERATIONAL AND MAINTENANCE COSTS

1. Cost Categories
   1. Equipment: $0
   2. Printing: $864
   3. Postage: $3,960
   4. Software Purchases: $0
   5. Licensing Costs: $0
   6. Other: $0
2. Total Operational and Maintenance Cost: $4,392

The printing and postage costs are the costs to print and mail the form to respondents. 7200 forms printed and mailed x (.12 (printing) + .55 postage) 7200 = $4392.00.

Part C: TOTAL COST TO THE FEDERAL GOVERNMENT

1. Total Labor Cost to the Federal Government: $10,872
2. Total Operational and Maintenance Costs: $4,392
3. Total Cost to the Federal Government: $15,264

15. Reasons for Change in Burden

There has been a decrease in burden since the last approval due to the cost of each response decreasing.

16. Publication of Results

The results of this information collection will not be published.

17. Non-Display of OMB Expiration Date

We are not seeking approval to omit the display of the expiration date of the OMB approval on the collection instrument.

18. Exceptions to “Certification for Paperwork Reduction Submissions”

We are not requesting any exemptions to the provisions stated in 5 CFR 1320.9.