

Supporting Statement
Grant Recipient's Accounting System and Financial Capability Questionnaire
NA Form 17003
OMB Control No. 3095-0072

1. **Circumstances making the collection of information necessary.** Pursuant to 2 CFR 200, Office and Management Guidance for Grants and Agreements, and our incorporation of these OMB regulations into our regulatory provisions at 2 CFR 2600, grant recipients must maintain adequate accounting controls and systems when managing and administering Federal funds. In addition, the OMB requirements trigger a single Federal audit require when grant recipients receive more than \$750,000. Some of the recipients of grants from the National Historical Publications and Records Commission (NHPRC) have proven to have limited experience with managing Federal funds. We therefore designed this questionnaire to identify those potential recipients and provide appropriate training or additional safeguards for Federal funds, as required by the regulations at 2 CFR 200 and 2600. Additionally, the questionnaire serves as a pre-audit function to identify potential deficiencies and minimize the risk of fraud, waste, abuse, or mismanagement. We use it for this function in lieu of a more costly and time-consuming formal pre-award audit.

In August 2023, NHPRC requested the following change to NA Form 17003:

Below is a brief explanation for our request to change the Financial Capability Questionnaire Form (17003) from DUNS to UEI

Unique Entity Identifier (UEI) - As of April 4, 2022

The Federal Government has transitioned from the use of the DUNS Number to the Unique Entity Identifier (UEI) as the primary means of entity identification for Federal awards government-wide. UEIs are required in accordance with 2 CFR Part 25, and the transition from DUNS to UEI has resulted in the UEI being issued by the Federal Government in SAM.gov. This means entities no longer rely on a third-party to obtain an identifier (i.e., a DUNS issued by Dun and Bradstreet). This change streamlines the entity identification and validation process, making it easier and less burdensome for entities to do business with the Federal Government.

2. **Purpose and use of the information.** We use this questionnaire as a method to improve our financial monitoring of grantees. This questionnaire assists us in determining those applicants requiring special attention in matters relating to the accountability of Federal funds, so we can provide them with helpful training and resources and help avoid issues with funding. This is a one-time questionnaire and assists us to avoid high-risk situations and protect Federal funds.
3. **Use of information technology and burden reduction.** Once members of the Commission recommend an application for funding, respondents can email or fax the questionnaire to us.
4. **Efforts to identify duplication and use of similar information.** This information does not duplicate similar information.
5. **Impact on small business or other small entities.** The information does not impact small businesses and other entities.

6. **Consequences of collecting the information less frequently.** We collect the information once from each successful grant applicant. If the information was not collected, the Government could risk funding applicants with inadequate accounting and financial management systems, resulting in harm to both the grantee and the Government, as well as waste of tax-payer funds.
7. **Special circumstances relating to the guidelines of 5 CFR 1320.5.** This information collection complies with 5 CFR 1320.5.
8. **Comments in response to the *Federal Register* notice and efforts to consult outside agency.** We published a notice of this information collection in the *Federal Register* on May 7, 2021 (86 FR 24670), requesting public comments. We received no comments.
9. **Explanation of any payment or gift to respondents.** This information collection involves no gifts or payments to respondents.
10. **Assurance of confidentiality provided to respondents.** We do not assure respondents of confidentiality for information they provide under this collection.
11. **Justification for sensitive questions.** We do not ask any questions of a sensitive nature in the questionnaire.
12. **Estimate of hour burden including annualized hourly costs.** Estimated burden hours: 75 respondents per year, @4 hours per respondent, for a total annual burden of 300 hours. We request respondents to submit the questionnaire only once, when the Commission has recommended a grant to an organization but before it is awarded the official award. Estimating the cost of respondent staff time @ \$20.00 per hour, for four hours per respondent, totals \$6,000. This estimate is based upon respondents providing information on the questionnaire from already established accounting records.
13. **Estimate of other total annual cost burden to respondents or recordkeepers.** There is no additional cost burden.
14. **Annualized cost to the Federal Government.** We estimate annual costs to the Federal Government for this information collection as \$1,500, based on one hour of review time per respondent, at \$20.00 per hour, for 75 respondents per year.
15. **Explanation for program changes or adjustments.** There is no change in burden.
16. **Plans for tabulation and publication and project time schedule.** We do not use the information we collect for statistical studies or publications.
17. **Reason(s) display of OMB expiration date is inappropriate.** We display OMB's approval expiration date on the questionnaire.
18. **Exceptions to certification for Paperwork Reduction Act submissions.** We are not requesting any exceptions to the certification statement identified in Item 19 of OMB Form 83-I.