

U.S. Small Business Administration
Microloan Program Electronic Reporting System (MPERS).
OMB Control Number 3245-0352
Justification – Part A Supporting Statement

Overview of Information Collection: This is a Revision to an Existing Collection.

This submission covers information SBA Microloan Intermediaries submit on the microloans they make to small businesses, as well as information provided on technical assistance (TA) that Intermediaries provide. The specific information required is listed in the MPERS Lender's User Manual. Intermediaries submit the information required via the Microloan Program Electronic Reporting System (MPERS).

This submission includes the following modifications:

SBA updated the Distressed indicator field to read only.

SBA updated the Rural Area and Rural/ Urban indicator fields to read only.

SBA removed outdated system information and webpages regarding participants and TA.

SBA removed excess fields due to automation of Low-Income Indicator.

SBA updated section 4.2.1 screenshot with new fields for Associate MRF / LLRF Accounts with SBA Loan.

SBA removed Section 4.2.2 MRF/LLRF with SBA Loans from Search Report.

SBA reviewed and updated the document to include new screenshots, new business owner address fields, loan outcome date, automation low-income indicator.

1. Need & Method for the Information Collection. Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) authorizes the Small Business Administration to make direct loans to eligible intermediaries for the purpose of providing loans up to \$50,000 to startup, newly established, or growing small business concerns for working capital or the acquisition of materials, supplies, or equipment. Section 7(m) also authorizes SBA to make grants to these intermediaries to provide small business borrowers with technical assistance. SBA uses the Microloan Program Electronic Reporting System (MPERS) to gather certain information regarding the loan transactions between the intermediaries and the borrowers, as well as the technical assistance that the intermediaries provide to them.

This information collection is also necessary for SBA to meet requirements imposed by § 4(b) (3) of the Small Business Act (Risk Management Database); the Federal Managers Financial Integrity Act (FMFIA) codified at 31 U.S.C. 3512 et. seq.; and OMB Circulars A-123 (Management's Responsibility for Internal Controls) and A-129 (Policies for Federal Credit

Programs and Non-tax Receivables).

2. Use of the Information. The information collected is used by SBA staff, program managers, and Agency management for analysis of new loan requests, analysis of requests for loan disbursements, loan monitoring, portfolio risk management, lender oversight and compliance, understanding of short-term and long-term trends and development of outcome measures. These groups use the data to ensure that the Microloan Program meets the needs of various geo demographic, industry markets and segments and to evaluate the safety and soundness of the Microloan Program and its policies. SBA also uses the information to report to its various oversight authorities regarding the number, dollar volume, and portfolio payment performance of its microloan borrowers.
3. Use of Information Technology. MPERS collects data electronically using an internet-based system that provides data directly to an SBA database from the point of entry at the intermediary's lending site. By providing an alternative to paper-based reporting, MPERS eases the reporting burden and associated costs for the intermediaries and improves information management and portfolio management.
4. Non-duplication. The information collection is unique to the individual intermediary and Microborrowers and the circumstances and conditions of the borrower's business operation. There are no other sources of information that are currently available that would meet SBA's purposes.
5. Burden on Small Business. This information collection does not directly impact small businesses or other small entities other than the microloan intermediaries through which the Microloan Program is facilitated. This information collection will not have a significant economic impact on the 150 microloan intermediaries
6. Less Frequent Collection. The information to be collected is important because it enables the Agency to monitor program outputs and outcomes. The ability to collect this information in MPERS improves the effectiveness of the Microloan Program and allows the Agency to ensure it meets its statutory goals. Further, the information collected helps Agency personnel to perform lender oversight and risk management.
7. Paperwork Reduction Act Guidelines. SBA collects business information on the small business concerns that receive microloans with Microloan Program loan proceeds. SBA maintains the confidentiality of such information to the extent permitted by law, including the Freedom of Information Act (5 U.S.C. 552). SBA requires that intermediaries submit microloan data to SBA within seven (7) days of the loan's closing (Portfolio Identification Report). To remain fully abreast of the financial condition of the loan portfolio originated

by the microloan intermediary participants, it is imperative that SBA require initial submissions of loan data within this time frame. This ensures that SBA maintains integrity over the use of proceeds from the loan between SBA and the microloan intermediary.

8. Consultation and Public Comments. A 60-day comment notice was published in the Federal Register on June 18, 2025, at 90 FR 26401 and no comments were received.
9. Gifts or Payment. No gifts or payments are provided to any respondents.
10. Privacy & Confidentiality. MPERS includes a statement regarding the extent to which personal and confidential information will be protected pursuant to the Freedom of Information Act, 5 U.S.C. 552 and the Privacy Act, 5 U.S.C. 552a. Section 1.1 (page 6) of the MPERS User Manual states, in part: “SBA is collecting this information for the purpose of monitoring the performance of Microloan Program Intermediary Lenders. SBA is collecting this information pursuant to the rules and regulations establishing the Microloan Program in Section 7(m)(1)(A) of the Small Business Act (15 U.S.C. 636(m)(1)(a)). Your responses are necessary to help SBA to determine whether program objectives are being met and whether the intermediary lenders are complying with program requirements. In order to verify that the statutory purpose of the Microloan Program is met, SBA must collect data relating to the small business concerns assisted by the program. The collection of business and personal information may implicate the Trades Secret Act and the Privacy Act respectively. However, the information collected will be protected to the maximum extent permitted by law, including the Freedom of Information Act , 5 USC 552 and the Privacy Act, 5 USC 552”. MPERS is part of the Capital Access Financial System (CAFS). The CAFS Privacy Impact Assessment can be found at: Capital Access Financial System (sba.gov). MPERS falls under the Systems of Records Notice for SBA 21, Loan System. SBA 21 can be found at: SBA Privacy Act Issuance (govinfo.gov) or published 04/30/2021 86 FR 23026.
11. Sensitive Questions. SBA collects information on voluntary basis regarding a small business owner’s ethnicity, race, sex, and disabled veteran status. SBA also collects business revenue and business income. The Agency collects this demographic and financial information to assess the extent to which the program assists all demographics and to assess the extent to which the program improves the financial health of the small businesses it serves. Such sensitive information is available only to Agency personnel with appropriate security protections. SBA maintains a Privacy Act system of record, SBA 21, to safeguard personal information collected in connection with the Agency’s loan programs when such information is used to retrieve the loan file/record. In addition, MPERS is subject to tightly controlled security under the Capital Access Login System (CLS) which ensures that information is delivered only to those parties with authorized access. A link to the MPERS User’s Guide can be found by logging into CLS at <https://caweb.sba.gov/cls>. Section 4.1.2 of the MPERS User Guide states: “Fields which are bold and have two ** (asterisks) are required and must be completed in order for the system to submit the Microloan to the database. Any fields which are bold must be completed or else the loan cannot move to a “Complete” status (it will remain “Incomplete)”. The data fields for Ethnicity and Race allow the system user to

enter “unanswered”, i.e. voluntary.

12. **Burden Estimate.** This information collection applies to the approximately 150 microloan intermediaries that actively participate in SBA’s Microloan Program. The estimated burden hours are 14.53 hours annually times 150 intermediaries, or 2,830 total hours. This is a decrease from the previous submission due to the automation of Associate MRF / LLRF Accounts in lender Portfolio Reports. Those reports will take less time because of the automation of the Associate MRF / LLRF Accounts reporting system. The decrease estimates based on the average number of microloans closed for the years 2022, 2023 and 2024. The estimated burden hours and costs for each reporting requirement are as follows:

	Requested	Program Change Due to New Statute	Program Change Due to Agency Discretion	Change Due to Adjustment in Agency Estimate	Change Due to Potential Violation of the PRA	Previously Approved
Annual Number of Responses for this IC	7107					7107
Annual IC Time Burden (Hour)	2478			-452		2930
Annual IC Cost Burden (Dollars)	49,572			+605		48,967

Provide an estimate for the total annual cost burden to respondents or recordkeepers resulting from the collection of information.

- **Reporting:** Requests for information for transmission to the Federal government, such as grant application forms, written report forms, telephone surveys, and electronic data collections.
- **Recordkeeping:** Requirements, which may involve compilation and maintenance of records, either alone or in conjunction with the reporting of information to the agency and/or some other person.
- **Third-party or public disclosure:** Requirements which may involve a requirement to disclose information to other members of the public directly or through publication in media such as newspapers or magazines, or to post the information on labels.

Burden per Response:

	Time Per Response	Hours	Cost Per Response
Reporting	11.7 min	1.8	55.87
Record Keeping	140 min	2.33	107.19
Third Party Disclosure	0	0	0
Total	151.7 min	4.13	163.06

Reporting math; 5307 microloans / 150 intermediaries = 35.38 per intermediary per year / 4 quarters in a year = 8.84 microloans per intermediary. 10 min to report microloan*8.84= 1.47 hours. + MRF LLRF 20min =.33hr. 1.47+.33= 1.8* \$31.04 =\$55.87

Record Keeping math; QRT = 20 min + 120min TA Data = 2.33 hour per quarter * \$45.94

	Annual Time Burden (Hours)	Annual Cost Burden (Dollars)
Reporting	1080	33,522
Record Keeping	1398	16,050
Third Party Disclosure	0	0
Total	2478	49,572

- Intermittent Portfolio Identification Reports. The estimated burden hours are based on approximately 5,307 microloan borrowers in any given year (note this is the average number of microloans closed in fiscal years 2022, 2023 and 2024). It is estimated that intermediaries will spend approximately 10 minutes for data input of each microloan, or approximately 5.9 hours per intermediary annually. Based on a GS-7 (Step 5) annual salary, the hourly rate is \$31.04. This pay rate is representative of the pay scale for the average intermediary administrative staff member completing this work.

- Quarterly Portfolio Status Reports. The estimated burden hours are based on 4 quarterly updates per intermediary, or 600 Portfolio Status Reports annually. It is estimated that intermediaries will spend approximately 20 minutes for data input of each Quarterly Portfolio Status Report, or 1.6 hours annually. Based on a GS-7 (Step 5) annual salary, the hourly rate is

\$31.04.

- Quarterly MRF/LLRF Status Reports. The estimated burden hours are based on 4 quarterly reports per intermediary, or 600 MRF/LLRF Status Reports annually. It is estimated that intermediaries will spend approximately 50 min per quarter, or 3.3 hours annually. Based on a GS-11 (Step 5) annual salary, the hourly rate is \$45.94. This pay rate is representative of the pay scale for the average intermediary accounting staff member completing this work.
- Technical Assistance Data. The estimated burden hours are based on 4 quarterly submissions per intermediary, or 600 technical assistance data submissions annually. It is estimated that intermediaries will spend approximately 2 hours per quarter, or 8 hours annually. Based on a GS-11 (Step 5) annual salary, the hourly rate is \$45.94. This pay rate is representative of the pay scale for the average intermediary training staff member completing this work.

Annual IC Cost Burden (Dollars) went up by \$605 annually. This was caused by the increase in salaries since the last PRA.

13. Estimated nonrecurring costs. There will be minimal start-up or other costs to the respondents. Start-up costs would include obtaining login credentials to the MPERS system. There are approximately 5 new lenders entering the Program each year and obtaining login credentials is estimated to take approximately 5 minutes. As a result, the estimated start-up costs are considered de minimis.
14. Estimated cost to the Government. The cost to government is approximately \$157,152 annually. To analyze reporting submissions, the estimated annual cost to the Federal government would be approximately 2400 hours of financial analyst time to review quarterly report submissions in MPERS (4 hours per quarter per intermediary). Based on a GS-13, Step 5 annual salary, the hourly rate is \$65.48. This pay rate is representative of the pay scale for the average SBA analyst staff member completing this work. The annual cost for the financial analyst review is equal to 2400 hours x \$65.48 per hour = \$157,152, or \$1047.68 per intermediary annually.
15. Reasons for changes. There is a 100 hour decrease in the hours needed to report to the program because of the automation added to MPERS. The overall volume in the report has stayed steady because the number of microloans has stayed the same, based on the average number of microloans closed for the years 2022, 2023 and 2024.
16. Publicizing Results. Only summary data will be published. This will be in the course of providing information to Congress, Agency leaders, constituent organizations, and others that will be interested in SBA reports. SBA does not anticipate publishing information beyond summary data.

17. OMB Not to Display Approval. Not applicable; expiration date will be published.

18. Exceptions to "Certification for Paperwork Reduction Submissions". Not applicable.

Part B. Surveys, Censuses, and Other Collections that Employ Statistical Methods.
Not applicable.