

**Supporting Statement for the
New Hire Information Collection
(FR 27; OMB No. 7100-0375)**

Summary

The Board of Governors of the Federal Reserve System (Board), under delegated authority from the Office of Management and Budget (OMB), proposes to extend for three years, with revision, the New Hire Information Collection (FR 27; OMB No. 7100-0375). This information collection provides for the electronic collection of certain personnel information from new hires using a secure web-based portal, the “New Hire Portal,” before the first day of employment of a new hire.

As part of the onboarding process for new hires, a Human Resources (HR) professional at the Board identifies the necessary information that must be collected from the new hire, which is dependent upon whether the person will be starting as a full- or part-time employee, including a Governor or Board officer (Regular Hire) or starting as an intern (Intern Hire), or whether the Regular Employee is transferring from another federal agency (Federal Transfer). The new hire is then sent an e-mail asking him or her to provide the information described below through the New Hire Portal prior to their official start date.

The Board proposes to revise the FR 27 by removing the direct deposit section from the New Hire Portal and ask the respondent to provide that information after their New Employee Orientation (NEO).

The estimated total annual burden for the FR 27 is 415 hours and would remain the same with the proposed revisions.

Background and Justification

Prior to March 2019, a new hire was asked to fill out a number of personnel forms in hardcopy format and instructed to bring these forms to their first day of employment. These forms were collected during or after NEO. With the implementation of the New Hire Portal, the Board now collects such information electronically from new hires using the New Hire Portal *before* their official start date. Collecting such information in advance allows for a smoother onboarding process by ensuring that the information needed to process certain benefits, tax withholdings, payroll documentation, computer log-in access, building access, and other personnel information is received by the time the new hire starts as an employee. In addition, when a new hire electronically provides information on one section of the New Hire Portal, the portal automatically pre-populates any other sections containing duplicative information. Thus, instead of the new hire providing his or her name, home address or other personnel information several different times on various hardcopy forms, such information is automatically populated across all of the relevant sections of the New Hire Portal after this information is initially provided for the first section of the portal (e.g., the Fingerprint Card Information section and the Federal W-4 Tax section of the portal is automatically populated using the same home address the new hire first provided under the “New Employee Data” section of the portal).

Description of Information Collection

The New Hire Portal is broken out into different sections and each section corresponds to the hardcopy forms that new employees previously filled out and provide to the Board during or after the first day of NEO. Thus, the information collection involves a new hire electronically providing this personnel information and filling out the applicable sections of the New Hire Portal before their first day of orientation. The sections of the portal that each new hire is asked to complete electronically depends upon the type of position that the new hire has been offered at the Board. Details about the information collected in each section of the portal, including the purpose for collecting such information, are described below.

Information Collected for All New Hire Types

- *New Employee Data Section*

This section of the New Hire Portal was created to capture relevant data elements for new hires. HR staff collect pertinent new hire information in order to verify data elements previously collected during the application/recruiting process, and collect additional information not collected during the hiring process.

Data collected includes, but is not limited to, the following information about the new hire:

Date of Birth	Used for identity verification purposes for the employee's personnel records; used for employee retirement and benefits calculation; used for input into the Visitor Registration system (building security purposes); and used to populate the Fingerprint Card Information section as part of the background investigation.
Social Security Number	Used for identity verification purposes for the employee's personnel records; used for employee retirement and benefits information; used for input into the Visitor Registration system (building security purposes); and to populate the Fingerprint Card Information section as part of the background investigation.
Education Information	Voluntarily provided (not required to complete the hiring process) and will be added to individual's personnel file if it is provided.
Ethnicity	Voluntarily provided (not required to complete the hiring process) and used for equal employment opportunity (EEO) reporting.
Race	Voluntarily provided (not required to complete the hiring process) and used for EEO reporting; also used to populate the Fingerprint Card Information section to conduct a background investigation.
Gender	Required for certain employee health and benefits information; and used for EEO reporting.
Birthplace	Used to verify citizenship and eligibility to work in the US; and used to populate the Fingerprint Card Information section to conduct a background investigation.
Citizenship Status	Used to verify citizenship and eligibility to work in the U.S.

Citizenship Country	Used to verify citizenship and eligibility to work in the U.S.; and used to populate the Fingerprint Card Information section, as part of the background investigation.
Prior Service	Used to determine if credit for prior service is applicable; and used in the Prior Service Section for salary offset purposes.
Marital Status	Used to determine applicability of spousal benefits; and used in the Federal Transfer Dependent Information section.

Additional information, such as the new hire's current address and emergency contact(s), is also collected in the New Employee Data section. Although the new hire is required to provide the name and contact information of one "primary" emergency contact, providing a "second" emergency contact is done on a voluntary basis. The new hire can also voluntarily provide an alternative mailing address different from his or her current address. A new hire can also voluntarily provide the name of any relatives employed at the Board and their relationship to the new hire under this section.

- *Fingerprint Card Information Section*

In order to verify an employee's identity for security and building access purposes, information is requested to populate a Fingerprint Card (such as eye color, hair color, height, and weight). Before or during NEO, a pre-populated Fingerprint Card is provided to each respondent and, at this time, the respondent provides their fingerprints to appropriate staff in the Division of Management for security screening purposes.

- *Direct Deposit Section*

This section collects information needed to set up a new employee's direct deposit payroll information, so that the Board can deposit paychecks and other earnings (such as reimbursement for official Board travel or academic assistance). Some information (such as the employee's name) is automatically populated from the "New Employee Data" section.

Information Collected Only from Regular Employees

- *Prior Service Section*

This section collects information about the new hire's record of prior service with a Federal government agency, in the Federal Reserve System, in the Peace Corps, in VISTA, or on active duty military. Only new hires who indicate they have prior service in the "New Employee Data" section of the portal complete the Prior Service section. Some information (such as social security number and birthdate) is populated from the "New Employee Data" section. This information is collected to validate prior service at these other federal agencies or organizations. New hires are obligated to provide this information for employee benefits purposes (e.g., to determine if credit for prior service is applicable; and to determine if the new hire is already retired, and therefore, considered a potential rehired annuitant, which may require a salary offset).

Information Collected Only from Regular Employees who are also Federal Transfers

- *Federal Transfer Dependent Information*

For new hires who are transferring from a federal agency (Federal Transfers), this section captures personal information about their dependents, so that health insurance benefits for their dependents continue based on the benefits elections at the prior federal agency. Some information (such as the new hire's social security number and birth date) is populated from the "New Employee Data" section in order to validate the new hire's identity. Marital status and marriage date are also collected to ensure health insurance benefits are properly continued, as well as the birth date of the Federal Transfer's spouse and/or children. Such information about the Federal Transfer's spouse and children is not required to complete the hiring process at the Board, but it is required to retain health insurance benefits.

Information not Subject to PRA and/or Used to Populate Another Federal Agency's OMB-Approved Forms

In addition to the information detailed above, new hires provide information in the New Hire Portal that is used to populate some information that is already cleared under the PRA by other federal agencies. Specifically, information collected in the New Hire Portal for use on the Federal Employees Group Life Insurance (FEGLI) Program form was previously cleared under the PRA by the Office of Personnel Management (OMB No. 3206-0136). Therefore, this information was not part of the Board's PRA review for the New Hire Information Collection. In addition, respondents provide information in the New Hire Portal that is used for the FEGLI form and for the "Designation of Beneficiary Unpaid Compensation of Deceased Employee" form, and respondents hired as Governors or Board officers also provide information in the New Hire Portal for use on the "Executive Death and Dismemberment Benefit for Officers and Governors" form. However, these three forms require a "wet signature" and are not collected until the respondent's first day of employment at the Board. Accordingly, this information is not subject to the PRA because the respondent is a federal employee when the information is collected by the Board.

Information collected to populate the State tax form (if the new hire selects DC, VA, or MD in the New Employee Data section) is a state, rather than a federal, information collection and is thus not subject to the PRA. Because the information collected for use on the federal or state tax forms is not subject to PRA clearance by the Board, if there are changes to these tax forms that require corresponding changes be made to the State Tax form sections of the New Hire Portal, such changes would be considered non-material changes and not considered revisions requiring review under the PRA.

Proposed Revisions to the FR 27

The Board proposes to remove the Direct Deposit section from the New Hire Portal and ask the respondent to provide that information after their NEO. After NEO, the respondent will be an employee of the Board, and the information requested will no longer be subject to the PRA.

Respondent Panel

The FR 27 panel comprises individuals who are new hires to the Board, but have not yet become employees.

Time Schedule for Information Collection

The information collection process for new hires is expected be completed and submitted by all hires prior to, or by, their scheduled start date of employment with the Board. This information is collected through the New Hire Portal only once - after an applicant has been offered and has accepted an employment position at the Board.

Public Availability of Data

No data collected by this information collection is published.

Legal Status

The New Hire Information Collection is authorized pursuant to sections 10(3), 10(4), 11(l), and 11(q) of the Federal Reserve Act, which provide the Board broad authority over employment of staff and security of its building.¹ In addition, Executive Order 9397 (Nov. 22, 1943) authorizes Federal agencies to use an individual's social security number to identify individuals in agency records.

Providing information collected as part of the New Hire Information Collection is voluntary. However, if certain information requested as part of the New Hire Information Collection is not provided by the new hire, the hiring process cannot be completed.²

Generally, information collected as part of the New Hire Information Collection will be kept confidential from the public under exemption 6 of the Freedom of Information Act (FOIA), which protects information that "would constitute a clearly unwarranted invasion of personal privacy."³ However, the release of information such as the educational history of the new hire or the start date of employment would not likely constitute a clearly unwarranted invasion of personal privacy and may be disclosed under the FOIA.

Determinations regarding disclosure to third parties of any confidential portions of the information collection that are considered exempt under the FOIA will be made in accordance

¹ 12 U.S.C. §§ 243, 244, 248(l), and 248(q).

² The voluntary provision of the following information is optional and is not required to complete the hiring process: education information (e.g., name of educational institution, major, degree, year of graduation), race, ethnicity, and the identity of and relationship to any relatives who are also employed at the Board. Although a new hire is required to provide the name and contact information of one "primary" emergency contact, providing a "second" emergency contact is optional and is not required to complete the hiring process. A new hire can also voluntarily provide an alternative mailing address, if it is different from his or her current address. Lastly, although not required to complete the hiring process, information on dependents is required to obtain certain benefits (such as continuing health insurance benefits for the child or spouse of a new employee who is transferring from another federal agency).

³ 5 U.S.C. § 552(b)(6).

with the Privacy Act.⁴ Relevant Privacy Act statements are provided when a respondent logs in to the portal and before the respondent is asked to provide any information. The Board may make disclosures in accordance with the Privacy Act's routine use disclosure provision, which permits the disclosure of a record for a purpose which is compatible with the purpose for which the record was collected.⁵

Such routine uses are listed in specific systems of records notices, which apply to this information collection and which can be found in: (1) the System of Records Notice for BGFRS-1, FRB-Recruiting and Placement Records, located at: <https://www.federalreserve.gov/files/BGFRS-1-recruiting-and-placement-records.pdf>; (2) the System of Records Notice for BGFRS-4, FRB-General Personnel Records, located at: <https://www.federalreserve.gov/files/BGFRS-4-general-personnel-records.pdf>; (3) the System of Records Notice for BGFRS-7, FRB—Payroll and Leave Records, located at: <https://www.federalreserve.gov/files/BGFRS-7-payroll-and-leave-records.pdf>; (4) the System of Records Notice for BGFRS-24, FRB—EEO General Files, located at: <https://www.federalreserve.gov/files/BGFRS-24-eo-general-files.pdf>; and/or (5) the System of Records Notice for BGFRS-34, FRB-ESS Staff Identification Card File, located at: <https://www.federalreserve.gov/files/BGFRS-34-ess-staff-identification-card-file.pdf>

Consultation Outside the Agency

There has been no consultation outside the Federal Reserve System.

Public Comments

On May 25, 2021, the Board published an initial notice in the *Federal Register* (86 FR 28107) requesting public comment for 60 days on the extension, with revision, of the FR 27. The comment period for this notice will expire on July 26, 2021.

Estimate of Respondent Burden

As shown in the table below, the estimated total annual burden for the FR 27 is 415 hours, and would stay the same with the proposed revisions. The Board fills approximately 444 positions per year. The average hours per response for the proposed information collection process using the New Hire Portal is estimated to be one hour for new hires who are offered a Regular Employee position, 45 minutes for new hires who are interns, and an additional five minutes if the Regular Employee is also a Federal Transfer. The total annual burden for the FR 27 is estimated to be 415 hours. These reporting requirements represent less than 1 percent of the total Board paperwork burden.

⁴ 5 U.S.C. § 552a(b).

⁵ 5 U.S.C. §§ 552a(a)(7) and (b)(3)).

FR 27	<i>Number of respondents</i>	<i>Annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
Regular Hire	312	1	1	312
Intern Hire	122	1	0.75	92
Federal Transfer	10	1	1.08	<u>11</u>
<i>Total</i>				415

The estimated current annual cost to the public of this information collection is \$10,790⁶.

Sensitive Questions

Sensitive information (i.e., height, weight, eye color and hair color) is collected for use on the Fingerprint Card Information section. Such information is necessary for security purposes. Sections 10(3) and 11(q) of the Federal Reserve Act (12 U.S.C. 243 and 248(q)) give the Board authority over its buildings and the ability to collect information necessary to protect and safeguard the premises, grounds, property, personnel, and operations conducted by or on behalf of the Board or a Reserve Bank, which allows for the collection of this information for building security purposes.

This information collection gathers sensitive information on an applicant's race, gender, and ethnicity. The Board uses this information to comply with federal EEO recordkeeping and reporting requirements, other legal requirements, as an input to its self-analysis of hiring practices, and preparing statistical reports.

If a new hire has a social security number, the solicitation and collection of the new hire's social security number is used in various sections of the portal to validate the new hire's credentials for certain benefits and security authorizations. The social security number is also used to ensure the accuracy of data involving the specified new hire. Sections 10(4) and 11 of the Federal Reserve Act (12 U.S.C. 244, 248(q) and 248(l)) give the Board the authority to recruit, examine, and evaluate a new hire's qualifications for employment with the Board, as well as authority for the security of its buildings. Executive Order 9397 (Nov. 22, 1943) authorizes Federal agencies to use an individual's social security number to identify individuals in agency records.

Estimate of Cost to the Federal Reserve System

The total annual cost to the Federal Reserve for printing and processing the Onboarding sections is estimated to be \$188,900.

Use of Information Technology

⁶ The average consumer cost of \$27 is estimated using data from the Bureau of Labor Statistics (BLS), Occupational Employment and Wages, May 2020, published March 31, 2021 <https://www.bls.gov/news.release/ocwage.t01.htm#>.

All responses are collected electronically. Respondents who have been selected for the relevant positions access the secure New Hire Portal on an electronic device (such as a desktop computer, laptop, tablet, or mobile device). Submission instructions are provided electronically, as well.