

Part A  
Supporting Statement for the  
FNS-245 and FNS-248  
OMB Number 0584-0034

**A. Justification**

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

State agencies are required to perform Quality Control (QC) reviews for the Food Stamp Program (FSP). The FNS-245 (Negative Case Action Review Schedule) and FNS-248 (Status of Sample Selection and Completion), as revised by the Food and Nutrition Service (FNS), is for State use to collect Quality Control (QC) data and information on the status of case reviews. Instructions for completing Form FNS-245 are in the Food and Nutrition Service (FNS) Handbook 310. We are proposing to eliminate form FNS-248 in the Proposed Rule entitled "Food Stamp Program: Discretionary Quality Control Provisions of Title IV of Public Law 107-171" which was published in the Federal Register on September, 23, 2005. In accordance with current regulations at CFR 275.21(c), State agencies may submit the required information other than on form FNS-248. FNS expects to publish a final rule on this subject in October 2006. Until then, the FNS-248 will remain in effect.

The legislative basis for the QC system is Section 16 of the Food Stamp Act of 1977. Part 275, Subpart C, of the Food Stamp Program regulations implements the legislative mandates found in Section 16. The regulatory basis for the QC reporting requirements is provided by 7 CFR 275.14(d) and 7 CFR 275.21.

The legislative basis for the recordkeeping requirements is Section 11(a) of the Food Stamp Act of 1977. The Food Stamp Program regulations, in Section 272.1(f), specify that program records are to be retained for a period of three years from the month of origin.

- 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

The FNS-245 (Negative Case Action Review Schedule), as revised by the Food and Nutrition Service (FNS), serves as the data collection form for negative case action reviews. Negative case actions include the denial, termination or suspension of benefits. The form consists of four sections and is used to record data in negative case reviews only. The first section, Case Management Information, is designed for State use only. The second section, Identifying Information, provides space for entering information

about the household. In the third section, Analysis of Review Activity, space is allowed for coding compliance with notice requirements. The fourth section, Description of Variances, provides for the detailed coding of each distinct variance identified in the Review and the recorded reasons for the agency's action.

The FNS-248 (Status of Sample Selection and Completion) collects information on the status of State agencies' active and negative case reviews. It is a monthly report which is used by State and Federal agencies to monitor the progress of sample selection and completion to help insure compliance with the requirements of the Act and its regulations. Although States will no longer submit this information on the FNS-248, they are still required to collect this data.

- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

The FNS-245 serves as both the data summary entry form that the QC reviewer completes during each negative QC case review and subsequently as the data input document for direct data entry into the National Information Technology Center (NITC). Therefore, while data is manually collected, it is electronically submitted to NITC for tabulation and analysis.

In an effort to streamline and automate, the Form FNS-248 will be eliminated; however, State agencies will be allowed to electronically report data and information using the automated negative system.

In compliance with the Government Paperwork Elimination Act (GPEA), FNS has reviewed the QC review and sampling process. We have made every effort to streamline and automate the process.

- 4. Describe any efforts to identify duplication.**

There is no duplication of effort since there is no similar data available.

- 5. If the collection of information involves small business or other small entities, describe any methods used to minimize burden.**

The collection of information does not involve any small businesses or other small entities.

- 6. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

Invalid denials, terminations or suspensions would not be effectively monitored or related policy improvements identified without information obtained through the negative review. Less frequent reporting would delay the awarding of monetary incentives in which the negative error rate plays a role.

Legal obstacles to reducing the frequency of this collection are contained in the Food Stamp regulations, referenced under Question #1 of this statement.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.6**

There are no special circumstances that cause the information collection for the FNS-245 and FNS-248 to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.6. State agencies are required to select and conduct quality control reviews on a monthly, ongoing basis. The results of those reviews are required by regulations at 7 CFR 275.21 to be reported on a monthly, ongoing basis (*See Exhibit 4*).

**8. Provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice required by 5CFR 1320.8(d) soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

**Also, describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.**

FNS solicited comments on the proposed information collection through a notice published in the Federal Register (71 FR 10003) on February 28, 2006. No public comments were received in response to this notice.

Consultations on all aspects of the above forms have been held with State agencies.

**9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

No payments or gifts are made to respondents.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

Information gathered from State agency records and information gathered in interviews

during the negative case reviews (FNS-245) is subject to the same confidentiality as information obtained from households applying for Food Stamp Program benefits. Section 11(e)(8) of the Food Stamp Act of 1977 mandates that each State agency shall provide "safeguards which limit the use or disclosure of information obtained from applicant households to persons directly connected with the administration or enforcement of the provisions of this Act, regulations issued pursuant to this Act, Federal Assistance programs, or federally assisted State programs...". Section 272.1(c) of the Food Stamp Program regulations implements this legislative mandate. The findings of negative case reviews, when compiled do not identify the recipient by name.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.**

There are no questions of a sensitive nature.

**12. Provide estimates of the hour burden of the collection of information. This should include the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated.**

**Also, provide estimates of annualized costs to respondents for the hour burdens for collection of information, identifying and using appropriate wage rate categories.**

There are 53 State agencies required to conduct QC reviews of the negative cases as part of the Performance Reporting System. The number of negative cases that must be selected and reviewed by each State agency during each annual review period is determined based on the State's size and choice of sampling options. We estimate an annual negative case sample of 39,803 cases nationwide. We estimate that State agencies will need an average of 3.03 hours per response for reporting on the FNS-245. Additionally, each State agency is required to provide monthly information associated with the Status of Sample Selection and Completion. We estimate that it takes 0.5236 hours to report this information. This reporting burden totals 120,681 hours per year.

In addition, each of the 53 State agencies is required to maintain records of the Form FNS-245 for the recordkeeping requirement. We estimate 939 recordkeeping hours. We also estimate that the burden is 12 annual hours for maintaining records associated with the Status of Sample Selection and Completion. This recordkeeping burden totals 954 hours per year.

We estimate the total burden of the reporting and recordkeeping burden for this collection to be 121,635 hours. The above burdens were arrived at by adding together the estimated reporting burden + the estimated recordkeeping burden.

The burdens described above were estimated as follows:

**a. Estimated Reporting Burden:**

Form Number	Number of Annual Responses	Number of Burden Hours Per Response	Estimated Total Burden Hours	Respondents	Number of Responses per Respondent
FNS-245	39,803	3.0236	120,348	53	751
Sample Selection and Completion	636	0.5236	333	53	12

**b. Estimated Recordkeeping Burden:**

Form Number	Number of Annual Records	Number of Burden Hours Per Recordkeeping	Estimated Total Burden Hours	Respondents	Number of Recordkeepings per Respondent
FNS-245	39,803	.0236	939	53	751
Sample Selection and Completion	636	.0236	15	53	12

**c. Annualized Reporting Costs – States**

$$\begin{array}{rcl}
 39,803 & = & \text{Estimated number of negative sample cases per annum.} \\
 \times 3.03 & = & \text{Number of hours per response.} \\
 \times \$16.77 & = & \text{Cost per hour.} \\
 \times \frac{1}{2} & = & \text{States' share of costs.} \\
 \hline
 \$1,011,256.90 & = & \text{Total State Reporting Cost.}
 \end{array}$$

The estimated annual cost to respondents resulting from the collection of information is \$1,011,256.90. This cost was estimated as outlined above.

**d. Annualized Recordkeeping Costs – States**

$$\begin{array}{rcl}
 39,803 & = & \text{Estimated number of recordkeepings annually.} \\
 \times .0236 & = & \text{Number of hours per recordkeeping.} \\
 \times \$16.77 & = & \text{Cost per hour.} \\
 \times \frac{1}{2} & = & \text{States' share of costs.} \\
 \hline
 \$7,876.44 & = & \text{Total State recordkeeping Cost.}
 \end{array}$$

The estimated annual cost to respondents resulting from the recordkeepings is \$7,876.44. This cost was estimated as outlined above.

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

We estimate the total annualized cost to be \$1,019,133.34. This cost was arrived at by adding together the estimated total Federal reporting costs + the estimated total Federal recordkeeping costs + the estimated Federal operational costs.

**14. Provide estimates of annualized costs to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses and any other expense that would not have been incurred without this collection of information.**

We estimate the total annualized cost to the Federal government to be \$1,020,425.65. This cost was arrived at by adding together the estimated total Federal reporting costs + the estimated total Federal recordkeeping costs + the estimated Federal operational costs as outlined:

**a. Annualized Reporting Costs – Federal**

$$\begin{array}{rcl} 39,803 & = & \text{Estimated number of negative sample cases per annum.} \\ x 3.03 & = & \text{Number of hours per response.} \\ x \$16.77 & = & \text{Cost per hour.} \\ x \frac{1}{2} & = & \text{Federal share of costs.} \\ \hline \$1,011,256.90 & = & \text{Total Federal reporting cost.} \end{array}$$

The estimated Federal annual cost resulting from the collection of information is \$1,011,256.90. This cost was estimated as outlined above.

**b. Annualized Recordkeeping Costs - Federal**

$$\begin{array}{rcl} 39,803 & = & \text{Estimated number of recordkeepings annually.} \\ x .0236 & = & \text{Number of hours per recordkeeping.} \\ x \$16.77 & = & \text{Cost per hour.} \\ x \frac{1}{2} & = & \text{Federal share of costs.} \\ \hline \$7,876.44 & = & \text{Total Federal recordkeeping cost.} \end{array}$$

The estimated annual Federal cost resulting from the recordkeepings is \$7,876.44. This cost was estimated as outlined above.

**c. Annualized Operational Expenses**

The actual printing costs for FY 2004 totaled \$1,292.91. No other annualized operating expenses are directly attributable to the FNS-245 or FNS-248 forms.

**15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of OMB Form 83-1.**

The proposed OMB inventory for the reporting and recordkeeping burdens associated with this collection is 121,635 annual burden hours. The difference between the old burden of 123,374 hours and the new burden of 121,635 hours is -1,739 hours. This difference is a result of a decrease of the total case selection from 40,262 to 39,803. The decrease in the number of cases selected is an adjustment, resulting in a decrease in burden hours of 1,739.

**16. For collections of information whose results are to be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

Data tabulation is achieved through established computer programs.

Data included in this collection of information is gathered throughout each annual (fiscal year) review period. The data is then published in the Food Stamp Program Quality Control Annual Report. This report presents official quality control error rates, and related data for the United States, individual States, Guam, the Virgin Islands and the District of Columbia. Publication of this report occurs approximately within one-year after the end of each annual review period.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

Limited funds do not permit us to destroy editions of the FNS-245 each time an OMB extension is obtained; therefore, FNS does not believe it is economically feasible to display the OMB expiration date.

**18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions" of OMB Form 83-1.**

No exceptions are noted.