

**Supporting Statement for the
FNS 380-1 Quality Control Review Schedule
OMB # 0584-0299**

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 Food Stamp Quality Control (FSQC) reviews for the Food Stamp Program (FSP). The FNS-380-1, Quality Control Review Schedule (QCRS), was developed by the Food and Nutrition Service (FNS) for State use to collect both QC data and case characteristics for the Food Stamp Program and to serve as the comprehensive data entry form for FSP QC reviews.

The legislative basis for the QC system is in Section 16 of the Food Stamp Act of 1977, as amended (the Act). 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 Act. The Food Stamp Program regulations, in Section 272.1(f), specify that program records must 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 QCRS collects both QC and case characteristic data. The information needed to complete this form is obtained from the Food Stamp case record and State QC findings.

Data collected is used by FNS and the States to monitor and reduce errors, develop policy strategies, and analyze household characteristic data. In addition, FNS uses this data to determine sanctions and bonus payments based on error rate performance, and to estimate the impact of some program changes to FSP participation and costs by analyzing the available household characteristic 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.**

In compliance with the Government Paperwork Elimination Act, FNS has reviewed the entire process for collecting and submitting QC data. However, we are not able to make the entire process electronic at this time. Part of the process allows electronic submission.

The QCRS serves as both the data summary entry form that the QC reviewer completes during each QC review and, subsequently, as the data input document for direct data entry into the National Information Technology Center (NITC). While the data is manually collected on a paper form from information extracted from a case file, it is electronically submitted to NITC for tabulation and analysis.

Some States have begun to use computerized versions of the worksheets, which provide the information collected on the QCRS. In addition, the FNS contractor for the data collection system has developed, at FNS' request, a computerized version of the worksheet. States are being given the option to continue to use their own systems or the paper version but they are encouraged to use the computerized version provided by FNS. When the FNS computerized versions of the worksheet are used, the information is linked to and creates the QCRS.

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.

Errors made in the certification of benefits would not be effectively monitored or reduced, program policy strategies could not be satisfactorily developed, sanctions and bonus payments based on error rate performance would not be assessed on a timely basis, and information and analysis based on household characteristic data would be incomplete or delayed.

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.

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 16548) on April 3, 2006. The comment period ended June 6, 2006, and no comments were received.

Consultations on all aspects of the QCRS 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 interviews during the course of active case reviews 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...". The Food Stamp Program regulations at 7 CFR 272.1(c) implement this legislative mandate. The findings of active 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.

A final rule entitled "Civil Rights Data Collection" was published on May 18, 2006 by FNS. This rule revises the racial and ethnic data collection and reporting for the FSP to comply with the 1997 data collection standards issued by the Office of Management and Budget (OMB) for civil rights data collections. All Federal programs are required to collect racial/ethnic data and information from applicants to permit effective enforcement of the Civil Rights Act. Under the changed procedures applicants will be allowed to choose more than one race and State and local agencies will be required to report tallies for the new racial categories. This rule was effective

June 19, 2006. State agencies may implement the new data collection anytime after June 19, 2006, but no later than April 1, 2007.

In accordance with this rule, QC has revised item number 51 (Race) of the FNS-380-1 to reflect the new racial/ethnic codes.

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 active cases as part of the Performance Reporting System. The number of active cases that must be selected and reviewed by each State agency during each annual review period is determined based on its size and the State's choice of sampling options. We estimate an annual active case sample of approximately 57,146 cases nationwide. The number of hours per response will vary depending on the needs of each individual active sample case. We estimate that State agencies will need an average of 1.05 hours per response for reporting. The annual estimate for reporting is 60,003 hours.

In addition, each of the 53 State agencies is required to maintain records of the Form FNS 380-1 for the recordkeeping requirement. We estimate that the burden is .0236 hours per record for 57,146 records per year. We estimate the annual burden for recordkeeping is 1,349 hours.

We estimate the total annual hour burden of the collection of information is 61,352 hours. This burden was arrived at by adding together the estimated reporting burden and the estimated recordkeeping burden as follows:

a. Estimated Reporting Burden:

Respondents	Average Number Reports Per Respondent Per Year	Total Reports Per Year	Staff Hours Per Report	Total Staff Hours Per Year
53	1,078	57,146	1.05	60,003

b. Estimated Recordkeeping Burden:

Respondents	Average Number Recordkeepings Per Respondent Per Year	Total Recordkeepings Per Year	Staff Hours Per Recordkeeping	Total Staff Hours Per Year
53	1,078	57,146	0.0236	1,349

The estimated annual cost to respondents for the hour burdens for collection of information is \$503,127.65. This cost was estimated as outlined below:

c. Annualized Reporting Costs - States

$$\begin{aligned}
 &57,146 = \text{Estimated number of active sample cases per year} \\
 &X 1.05 = \text{Number of hours per response} \\
 &X \$16.77 = \text{Cost per hour} \\
 &X 1/2 = \text{States' share of costs} \\
 &\text{-----} \\
 &\$503,127.67 = \text{Total State Reporting Costs}
 \end{aligned}$$

The estimated annual cost to respondents or recordkeepers resulting from the collection of information is \$11,308.39. This cost was estimated as outlined below:

d. Annualized Recordkeeping Costs - States

$$\begin{aligned}
 &57,146 = \text{Number of recordkeepings annually} \\
 &X .0236 = \text{Number of hours per recordkeeping} \\
 &X \$16.77 = \text{Cost per hour} \\
 &X 1/2 = \text{States' share of costs} \\
 &\text{-----} \\
 &\$11,308.39 = \text{Total State Recordkeeping Costs}
 \end{aligned}$$

e. Annualized Recordkeeping Costs - Applicants

None

Total cost to the Public: \$514,436.06

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

There are no annualized capital/startup 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 \$516,293.30. 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

57,146 = Estimated number of active sample cases per annum.
X 1.05 = Number of hours per response
X \$16.77 = Cost per hour
X 1/2 = Federal share of costs

\$ 503,127.67 = Total Federal Reporting Costs

b. Annualized Recordkeeping Costs - Federal

57,146 = Number of recordkeepings annually
X .0236 = Number of hours per recordkeeping
X \$16.77 = Cost per hour
X 1/2 = Federal share of costs

\$ 11,308.39 = Total Federal Recordkeeping Costs

c. Annualized Operational Expenses

The actual printing costs for FY 2004 totaled \$1,857.24. No other annualized operating expenses are directly attributable to the FNS-380-1.

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

There was an adjustment in the burden of 2,623 hours. This was a result of the sample size increasing from 54,703 cases to 57,146 cases. The burden increased from 58,729 hours to 61,352 hours.

- 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 the entirety of each annual (fiscal year) review period. The data is then published in two separate reports issued on an annual basis.

The first report is 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.

The second report is the **Characteristics of Food Stamp Households**. This report examines the demographic characteristics and economic circumstances of food stamp recipients and households. An advance report, featuring the highlights of the characteristic data, is published approximately one-year after the end of each annual review period. A full report is published the following year.

- 17. If seeking approval not to 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 QCRS 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.