

**Supporting Statement for the
FNS-380 Worksheet for Food Stamp Program Quality Control
Reviews**

OMB # 0584-0074

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 (QC) reviews for the Food Stamp Program (FSP). In order to determine the accuracy of the food stamp benefits authorized by State agencies, a statistical sample of Food Stamp cases is selected for review from each State agency. Relevant information from the case record, investigative work and documentation about individual cases is recorded on the form FNS-380, Worksheet for Food Stamp Quality Control Reviews. This information, along with supporting documentation, is the basis for the determination of the accuracy of the case.

Section 16 of the Food Stamp Act of 1977 provides the legislative basis for the operation of the QC system. Part 275, Subpart C, of the FSP regulations implements the legislative mandates found in Section 16. Regulations at 7 CFR 275.1, 275.14(d) and 275.21(a) and (b)(1) provide the regulatory basis for the QC reporting requirements.

Section 11(a) of the Food Stamp Act of 1977 provides the legislative basis for the recordkeeping requirements. The FSP regulations, at 7 CFR 272.1(f), specify that program records must be retained for three years from the month of origin. Regulations at 7 CFR 275.4 specifically address record retention requirements for form FNS-380.

- 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.**

State agencies are required to perform QC reviews for the FSP. This process includes a face-to-face interview with the household to verify identity and existence and explore other circumstances that affect eligibility and benefit level. The FNS-380 provides a systematic means of aiding the State agency's QC reviewer in analyzing the household

case record; planning and carrying out the field investigation; and gathering, comparing, analyzing and evaluating the review data. The face sheet of the form is used to record identifying information about the household and indicate the review findings. The QC reviewer uses the rest of the form to document and evaluate each step of the field investigation to determine eligibility and amount of payment under FNS approved State agency practice. Information on the worksheet must reflect specifics of the investigation and substantiate the eligibility findings and payment status. The reviewer completes the QC worksheet by entering the appropriate narrative explanation in the spaces provided.

- 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. FNS has a computerized version of the worksheet. While some States continue to manually collect data on a paper form, other States are using the FNS provided automated FNS-380 or their own computerized versions.

- 4. Describe efforts to identify duplication.**

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

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

This collection 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 the burden.**

The Food Stamp Act of 1977, as amended, mandates a QC measurement system. The aforementioned Act also requires the

Secretary of Agriculture to notify State agencies of their fiscal year error rates within a set time period. The only ways to reduce the burden are to reduce the number of cases subject to review or to reduce the review requirements. The number of cases sampled in this annual review depends on State caseload sizes. The current sample sizes are necessary to maintain the accuracy and precision of the error rates in order to assess liabilities and award bonuses based on performance. The current review requirements are necessary to maintain the accuracy of individual review findings.

The estimated yearly sample size of 57,146 is based on the latest information available on State sample selection choice.

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

There are no special circumstances that require collection inconsistent with 5 CFR 1320.6.

8. Provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice Required by 5 CFR 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 38128) on July 5, 2006. This notice provides the opportunity for the general public and other public agencies to comment on various aspects of the proposed information collection of form FNS-380.

FNS received one comment on this notice. *The commenter expressed concerns that the burden hours associated with the amount of time to complete the FNS-380 was inaccurate as it pertains to the demographics for Washington State. Since this is the only comment that was received amongst 53 State agencies with a variation of*

demographic compositions, the comment has been noted but no action will be taken.

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

No payments or gifts are provided 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...” Section 272.1(c) of the Food Stamp Program regulations implements this legislative mandate. The findings of active case reviews, when compiled, do not identify the recipients 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.

Social Security numbers are recorded on the FNS-380 for each household member. However, States only collect this information for internal purposes. Some of the internal reasons for recording the Social Security numbers include, but are not limited to, verifying resources, earned income and unearned income (BENDEX, SSA) as well as accessing information from the Department of Motor Vehicles, Child Support agencies, etc. The Social Security numbers are maintained in the State files and are not transmitted to FNS.

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.

a. Public Burden

Fifty-three State agencies are required to conduct reviews of active cases, which include a face-to-face interview with each household, as part of the QC 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 responses is 1078.226 (total responses divided by number of respondents). 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 slightly less than nine hours (8.9764 hours) per response for reporting on the form FNS-380. In addition, we estimate a burden of 0.50 hours for each of the households being interviewed. The total annual estimated reporting burden for both State agencies and the households is 542,887 hours.

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

Estimated Reporting Burden:

Type of Respondent	No of Respondents	No. of Responses Per Respondent	Total Responses	Hours Per Response	Estimated Total Burden
State Agency	53	1078.226	57,145.97	8.9764	512,965
Household	57,146	1	57,146	0.5	28,573
Total Reporting					541,538

Estimated Recordkeeping Burden:

Type of Recordkeeper	No of Recordkeeper	No. of Records Per Recordkeeper	Total Records	Hours Per Record	Estimated Total Burden
State Agency	53	1078.226	57,146	.0236	1,349

TOTAL BURDEN

No. of Respondent	No. of Responses Per Respondent	Total Annual Responses	Hours Per Response	Estimated Total Burden
57,199	2.52	114,292	4.75	542,887

b. Cost to the Public

States - Reporting

512,965	=	Estimated Number of Burden Hours
<u>X \$16.77</u>	=	Cost per hour
\$8,602,423	=	Total Cost
<u>X 1/2</u>	=	Federal Cost Share
\$4,301,212	=	Total Costs for 53 States

States - Recordkeeping

1,349	=	Estimated Staff Hours
<u>X \$16.77</u>	=	Cost per hour
\$ 22,623	=	Total cost for form FNS-380
<u>X 1/2</u>	=	Federal Cost Share
\$ 11,311	=	Total Cost to 53 State agencies

TOTAL COST TO THE PUBLIC: \$4,312,523

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

There are no start-up or annualized maintenance costs.

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

We estimate the total annualized costs to the Federal government to be \$4,323,666.47. FNS reimburses State agencies for one half of their administrative expenses. This cost was arrived by adding together the estimated total Federal reporting costs + the estimated total Federal recordkeeping costs + the estimated Federal operational costs.

Annualized Operational Expenses

The actual printing costs for FY 2004 totaled \$11,143.47. No other annualized operating expenses are directly attributable to the FNS-380.

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

The number of respondents has increased from the 53 state agencies to include the estimated 57,146 households interviewed for the QC sampling. The total number of respondents is reported at 57,199.

There was an adjustment in the burden of 23,208 hours. This increase is primarily the result of an increase in the sample size from 54,703 to 57,146. This would increase the overall burden from 519,679 hours to 542,887 hours.

16. For collections of information whose results will 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.

The narrative information contained on the Form FNS-380 is neither tabulated nor published.

The Food Stamp Quality Control Review Worksheet, Form FNS-380, is completed for each active sample case review and consists of narrative information which serves as documentation to substantiate the review findings reported on the Form FNS-380-1, Food Stamp Quality Control Review Schedule (OMB #0584-0299).

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.

We are requesting a waiver not to display the expiration date. To display the expiration date would entail destroying our stock of the form even if there were no changes to the form.

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.