

# **SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT SUBMISSIONS**

## **U.S. DEPARTMENT OF LABOR GENERIC SOLICITATION FOR GRANT APPLICATIONS (SGA)**

### **A. Justification**

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Describe the practical utility of the collection, including proposed and actual use. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

Periodically the Department of Labor (DOL or the Department) solicits applications for grants through issuing a “Solicitation for Grant Applications” or “SGA.” To ensure that grants are awarded to the applicant best suited to perform the functions of the grant, applicants are generally required to submit a two-part application. The first part of DOL’s grant applications consists of submitting the Standard Form 424 (SF-424), “Application for Federal Assistance.” The second part of a grant application usually requires a technical proposal demonstrating the applicant’s capabilities in accordance with a statement of work and/or selection criteria.

Under OMB Circular A-102, section c, heads of Executive departments are instructed to obtain Office of Management and Budget (OMB) approval under the Paperwork Reduction Act (codified at 44 U.S.C. § 3501, et seq., with regulations at 5 C.F.R. Part 1320) before collecting information associated with grants that is “different or additional” to the information collected on approved standard forms (i.e., SF-424, etc.). Further, OMB Circular A-110, Subpart B instructs Federal agencies to comply with the requirements of 5 C.F.R. Part 1320, “Controlling Paperwork Burdens on the Public,” with regard to all forms used by the Federal awarding agency in place of or as a supplement to the SF-424 series.

The Department is requesting approval for a generic Solicitation for Grant Application form for information collection requirements for SGAs that extend beyond what is collected on currently approved standard forms. OMB approval of this generic SGA form will assist the Department to carry out its responsibilities under the Paperwork Reduction Act by accurately accounting for the public burden associated with grant applications through promoting a common structure for reporting the information collection requirements contained in DOL’s SGAs.

DOL recommends the following review procedures for this generic SGA form:

1. This generic SGA form encompasses a set of broadly defined data elements that are common to DOL SGAs (draft provided in Attachment A). This form does not represent an actual SGA, and is not intended to be used verbatim. Rather, the elements in the form encompass the range of topics that applicants are asked to address in their grant application. In composing their grant announcements and detailing the eligibility criteria for those SGAs, agencies will select topics from those listed on the form, and may reword and combine criteria to best meet the goals of the grant program. This form augments the standard form SF-424, and encompasses the remaining spectrum of questions that comprise DOL's SGAs.
  2. SGAs submitted under this generic SGA form will be submitted to the Office of Management and Budget (OMB) 24 hours prior to the publication of the solicitation for grant applications in the Federal Register. The proposed SGAs will be submitted using OMB Form 83-C.
  3. OMB will evaluate the information collection requirements for compliance with the Paperwork Reduction Act of 1995 and for alignment with the grants streamlining initiative.
  4. The Department will disclose the paperwork requirements, associated burden, and OMB number in all SGAs. Any forms used in connection with an SGA will disclose the same information.
  5. DOL will review all SGAs for compliance with the Paperwork Reduction Act and the terms agreed upon in this information collection request.
  6. DOL will monitor the number of responses and burden associated with the SGA information collection requirements submitted under this approval. At the end of the year, DOL will include this burden in its Information Collection Budget report.
- 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 information collected in response to solicitations for grant applications has been and will be used by the Department of Labor for issuing grants to the applicants most suited for fulfilling the mission of the grant.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection 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 burdens.**

The Department can receive grant applications and associated reporting requirements electronically via e-mail. Some submissions may require an original signature. For these items, electronic submission is contingent on the Department's ability to accept electronic signatures. DOL currently is a partner in the government-wide e-grants initiative.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

The information collected in DOL's solicitation for grant applications and in the associated reporting requirements is unique to each grant; therefore, it is not duplicated in any other source. As applicable, the Department utilizes currently approved standard forms and will not duplicate information collected on these forms.

**5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden. Describe how the collection reduces, to the extent practicable and appropriate, the burden on all persons, including small entities, providing information.**

This information collection request does not have a significant economic impact on a substantial number of small entities. To limit the burden imposed on respondents, the Department requires the minimum information needed to award grants.

DOL's grant-making agencies have existing structures and resources in place for evaluating applications, awarding grants, and managing grants.

**6. Describe the consequence 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 Department's activities would be significantly hindered if it were not able to collect the information required to evaluate potential grant recipients.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**

- **requiring respondents to report information to the agency more often than quarterly;**

- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **requiring respondents to submit more than an original and two copies of any document;**
- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
- **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- **requiring respondents to submit proprietary, trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

The Department will ensure that all collections of information contained in its SGAs comply with 5 C.F.R. § 1320.5.

**8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 C.F.R. § 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.**

- **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.**
- **Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years -- even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.**

In response to the notice published in the Federal Register for public comments on October 19, 2005 (a copy is attached), one (1) organization, the Wisconsin Department of Workforce Development, submitted comments which addressed:

1. The lack of an electronically savable version of the current (7/03) version of the SF-424;
2. The lack of a single posting place for all grant announcements since some postings are made to Grants.Gov while others are posted only in the Federal Register;
3. The lack of usability of the Grants.Gov site; and
4. The Generic solicitation for grant application form.

While the first three (3) comments do relate to the federal grant process, they are not germane to this particular information collection request and so are not addressed here. The comment concerning the generic solicitation form supports the Department's seeking to standardize forms to be used for the solicitation of grant applications.

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

The Department will not provide any payment or gift to respondents.

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

The Department makes no assurance of confidentiality to those responding to SGAs.

**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. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

Application and reporting requirements in SGAs do not ask questions of a sensitive nature.

**12. Provide estimates of the hour burden of the collection of information. The statement should:**

- **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of**

**estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**

- **If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.**
- **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 13.**

Based on previous history, DOL projects an average of 50 SGAs per fiscal year. Additionally, the Department projects that it will receive approximately 5,750 SGA applications annually. Reporting time is based on consultation with DOL staff familiar with the burden associated with grant applications and associated periodic reporting.

Based on consultation with program staff who works with grantees, the Department assumes it takes an average of 20 working hours to prepare and submit an application in response to a SGA. For purposes of this information collection request, DOL assumes that a professional earning \$23.77 (rounded to \$24) per hour<sup>1</sup> will prepare an application. Therefore, the burden for these reporting activities is as follows using average response times:

$$\begin{aligned} 5,750 \text{ SGA applications} \times 20 \text{ hours} &= 115,000 \text{ hours} \\ 115,000 \text{ hours} \times \$24 \text{ hr} &= \$2,760,000 \end{aligned}$$

**Total Hours: 115,000**

**Total Cost: \$2,760,000**

**13 Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).**

- **The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life); and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items,**

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<sup>1</sup>Mean hourly wage of a “Social and Community Service Manager” as reported by the 2003 Occupational Employment Statistics (OES) Survey of the U.S. Bureau of Labor Statistics

**preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.**

- **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**
- **Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.**

Mailing is the only potential cost to respondents. Based on program staff experience, the average cost of mailing an application ranges from \$6 to \$12 dollars. Assuming a worst-case scenario and all respondents must mail applications, the burden cost is calculated as follows using an average mailing cost of \$9.00 dollars:

$$5,750 \text{ applications} \times \$9 \text{ mailing cost} = \$51,750$$

**14 Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 17, 18, and 19 in a single table.**

Based on consultation with grant reviewers, the Department estimates that it takes an average Federal employee (GS-12, Step 5) earning \$32.93<sup>2</sup> per hour approximately four hours to review the average grant application. Therefore, the Department estimates the cost to the Federal government as follows:

$$(5,750 \text{ grant applications}) \times (4 \text{ hours each}) \times \$32.93/\text{hr} = \$757,390$$

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

This is a new collection resulting in a program change increase of 115,000 burden hours. Once OMB approves this ICR, DOL will submit a Form 83-C to adjust the inventory burden accordingly.

**16. For collections of information in which 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 Department has no plans to publish the information collected in associated with SGAs.

**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.**

DOL will publish the OMB control number and expiration date in SGAs published in the Federal Register and on any forms associated with an SGA.

**18. Explain each exception to the certification statement identified in the "Certification for Paperwork Reduction Act Submission," of OMB 83-I.**

The Department is not seeking an exception to the certification statement identified in item 19 of 83-I.