

Supporting Statement
Data Collection Form for Application for Federal Assistance
SF-424(R&R)

The SF-424 Research and Related form (R&R) is an OMB approved collection (4040-0001). We propose revising the collection to include changes adopted by the cross-agency R&R working group. This working group established the original proposed collection of 4040-0001 in 2004. The form instructions will also be revised.

This collection will be utilized by up to 26 Federal grant making agencies. The 4040-0001 collection expires on April 30, 2008 (February 2, 2005, Volume 70, Number 21, pages 5449-5450). We are requesting a three-year clearance of this collection. The 4040-0001 proposed collection encompasses a variety of forms within the collection including the following:

- Application
- Personal Data
- Senior/Key person (Expanded)
- Other Project Information
- SBIR/STTR
- Budget (up to 5 years)
- Budget (up to 10 years)
- Budget (Fed/Non-Fed)
- Subaward Attachments (up to 10)
- Subaward Attachments (more than 10)
- Subaward Budget (Fed/Non Fed)

There are two major changes included in the collection. One change is to remove the Project/Performance Site Location(s) form from the collection. This form is going to be issued with revisions as a separate OMB-approved collection (Project/Performance Site Locations(s)) to be required with all SF-424 form families with the exception of the SF-424 Individual (November 14, 2007, Volume 72, Number 219, pages 64080- 64081).

The other major revision is to incorporate into the collection the SBIR/STTR Information form (OMB Number 0925-0001). The SBIR/STTR Information form will be cancelled (OMB No. 0925-0001) when the R&R collection is renewed.

These changes to the instructions will increase data quality and clarity for the collection. Agencies will not be required to collect all of the information in the proposed data set. The agency will identify the data that must be provided by applicants through instructions that will accompany the application forms.

A. Justification

1. Need and Legal Basis

On an annual basis, the Federal government commits nearly twenty percent of the Federal budget, or approximately \$400 billion, to State and Local governments, Tribal organizations, education and research institutions, non-profit organizations, public housing authorities, and commercial organizations through the award of Federal grants. There are 26 Federal grant-making agencies with over 900 grant programs. A variety of these Federal agencies have research-related grant programs authorized by legislation covering a broad range of diverse research subject matter. To obtain Federal grants funds, applicant organizations must apply to the agency responsible for administering the grant program.

The Federal Grant and Cooperative Agreement Act of 1977 (31 USC 6301-6308) gives agencies the authority to select the appropriate award instrument within the limits of their program legislation to support or stimulate recipient activity. Public Law (PL) 106-107, the Federal Financial Assistance Management Improvement Act of 1999, was enacted to improve the effectiveness and performance of Federal financial assistance programs, simplify Federal financial assistance application and reporting requirements, and improve the delivery of services to the public. The issuance of the President's Management Agenda in 2002 called for "agencies to allow applicants for Federal grants to apply for, and ultimately manage, grant funds online through a common web site, simplifying grants management and eliminating redundancies..."

The proposed R&R collection assists agencies with research grants to implement the Office of Management and Budget (OMB) direction to use Grants.gov's Apply mechanism (<http://www.whitehouse.gov/omb/memoranda/fy04/m04-05.html>). In its memorandum to agencies, OMB established Grants.gov as the Federal government's single, online portal for any person, business, or State, Local and Tribal government to find and apply for Federal grants.

2. Information Users

The R&R consolidates research and related grants application data and forms used by Federal grant-making agencies with a research mission or conducting research-related activities. The R&R is the common Federal (standard) form for research-related grant applications. It has replaced numerous agency-specific forms thus reducing the administrative burden to the Federal grants community that includes applicants/grantees and to Federal staff involved in grants-related activities. The information collection provides data to assist Federal program staff and grants officials in assessing the adequacy of applicant's proposals to accomplish project objectives and determine whether the business aspects of applications reflect program needs and grants policies. Federal agencies will not be required to collect all of the information included on the proposed form. The agency will identify the specific sections with the R&R that must be completed by

applicants through instructions that will accompany the forms. Agencies will implement processes for reviewing the applications and awarding grant funds. These processes are reflected in agencies' policies and procedures documents. Agencies will also maintain and store application forms and data in accordance with their policies and practices. The public that may use the collection could include: Federal, State, local, or tribal governments, business or other for profit, and not for profit institutions.

3. Improved Information Technology

The Grants.gov Apply mechanism (<http://www.grants.gov/Apply>), which was deployed in October 2003, allows applicants to electronically apply for Federal grants. In its January 7, 2004 memorandum, OMB directed grant-making agencies to use Grants.gov's Apply mechanism (<http://www.whitehouse.gov/omb/memoranda/fy04/m04-05.html>). Information on the R&R will be entered into fillable forms and submitted electronically through the Grants.gov portal. Applicants can complete application documents that they download from Grants.gov and submit them based on agency policies and instructions. Agency policies and instructions include detailed submission guidance such as due dates, eligibility, information requirements, supporting documentation, etc. Upon receipt of the application, Grants.gov will send an electronic acknowledgement to the applicant that the submission was received with the date and time of receipt. In addition, Grants.gov will deliver the application to the agency.

4. Duplication of Similar Information

Development of the R&R collection was an effort to reduce duplication of similar or identical forms and data sets across Federal agencies. This information collection also implemented the streamlining and simplification provisions of PL 106-107 and provides support for the President's Management Agenda to allow applicants for Federal grants to apply for grant funds online. A cross-agency work group developed the original proposed R&R collection that will serve as a common application form for research-related grant programs.

5. Small Businesses

The R&R collection is designed to collect the minimum amount of information necessary to comply with the agency requirements and is based on a previously OMB approved collection. Only applicants that are interested in pursuing a Federal research grant opportunity will use the R&R collection. The burden to all applicants, including small businesses and other small entities is reduced through use of the R&R. Applicants will use this form and data set to apply for research-related grants in any of the Federal grant-making agencies rather than using each agency's research-related grants application forms.

6. Less Frequent Collection

The R&R collection replaced other application forms and data sets used by a variety of agency research grant programs. If the R&R collection is not used, a variety of existing forms and data will be used to assist program and grants

officials in assessing the adequacy of an applicant's proposals to accomplish project objectives and determine whether the business aspects of applications reflect program needs and grants policies. Additionally, a significant PL 106-107 grants streamlining and simplification opportunity will be missed and progress towards fully achieving the President's Management Agenda to allow applicants for Federal grants to apply for grant funds online would be impeded if the R&R were not used.

7. Special Circumstances

The proposed collection of information will be conducted in a manner that complies with relevant legislation authorizing Federal grants programs, OMB policies related to the administration of Federal grants including OMB Circulars A-102, A-110 (relocated to Relocated to 2 CFR 215), A-21 (relocated to 2 CFR 220), A-87 (relocated to 2 CFR 225), and A-122 (relocated to 2 CFR 230), and guidelines of 5 CFR 1320.5(d)(2).

8. Federal Register Notice/Outside Consultation

Comments were received in response to the 60-day Federal Register Notice (February 28, 2008 Volume 73, Number 40, pp. 10779-10780).

The comments and responses are as follows:

SF-424 (R&R) Form ("Face Page")

1. The block requesting Congressional district information for the applicant and the project are missing (formerly block 14 a. and b). In addition, the data element that allowed an applicant to attach additional Congressional districts is missing (formerly item 21).

We are often called upon to provide grant or cooperative agreement award information by Congressional district. It would be helpful to continue collecting this information for research applications directly from the applicants. We request that the missing elements be restored - the mock-up form has ample space in which to do so.

Response:

The changes to the Cover Component must be viewed in combination with the proposed FFATA changes. The applicant congressional district is still on the cover component, while the congressional district of the project has been moved to the Performance Site location component. There is no longer a need for Block 21, as this information is collected for each performance site on the Performance Site location component.

2. We appreciate the revised breakout of estimated project funding in block 14 on the mock-up. It should make things a bit clearer for applicants.

Response. We concur. Thanks for your comment.

SF-424 (R&R) Face Page Instructions

1. If the Congressional district data elements are placed back on the form, the instructions will have to be amended to provide guidance on them.

Response: See response above.

2. The numbering of the instructions to correspond to the data elements is helpful; however, please note that the individual data elements within block 5 (applicant information) are not numbered, but the corresponding instructions are. For example, "Legal Name" is not numbered on the form, but on the instructions, it's listed as item 5.2.

Response: Thanks for your comment. We will insure that the Cover component is numbered accordingly. The sub-numbering in the instructions for inserted for clarity.

Research and Related Personal Data, Form and Instructions

No comments.

Research and Related Senior/Key Person Profile, Form and Instructions

No comments on the form.

The numbering of the instructions to correspond to the data elements is helpful; however, please note that the individual data elements on the form are not numbered, but the corresponding instructions are. For example, "First Name" is not numbered on the form, but on the instructions, it's listed as item 1.2.

Response: Sub-numbering in the instructions for inserted for clarity. Please note, however, that agencies are not obligated to use this numbering structure in their own application guides. Nor do the numbers appear in the form help tips in Grants.gov.

Research and Related Other Project Information, Form and Instructions

No comments on the form or instructions.

SBIR and STTR, Form and Instructions

No comments on the form or instructions.

Budget Forms and Instructions - General Comments

1. Research and Related Budget Form: it would seem to be less confusing to grantor agencies to have one form that allows for budgets of up to 10 years in duration. Such a form would also allow for budgets of up to 5 year duration. Would it be possible to just have one form?

Response: The R&R working group discussed this issue at great length and determined that one budget form for up to 10 years would not be acceptable for most programs. This would give the impression to applicants that a 10 year duration is permissible, when, for most programs it is not. By having a separate component for 10 years, agencies need only include the 10 year budget, when applicable.

2. We would recommend that the following one-sentence, general guidance be placed at the top of both sets of instructions:

“Please consult the funding opportunity announcement or agency specific instructions for additional guidance on completing the budget forms.”

We recommend this inclusion, because layout space in the instructions is limited, and a number of items on the forms require additional guidance or instructions. Often, the additional guidance is needed to handle programmatic concerns (e.g. cost share, or restrictions on participant support), but applicants don't always use the additional guidance when filling out the forms. We'd like to try to encourage them to consult the announcement or agency guidance.

Response: This type of instruction should be prominently placed in the application guide or similar instruction

document as it is generally applicable to the entire R&R application.

3. It seems that a start was made on the Federal + Non-Federal budget instructions on some very helpful formatting (bullets and indents under the heading "Budget Type"). Continuing the formatting throughout the instructions, and migrating the formatting to the instruction set for the 5/10 year budget forms would enhance readability greatly.

Response: While agencies are bound to use the instructions on the form, we encourage agencies to format instructions as they deem appropriate. Agencies may augment the instructions with agency specific guidance.

Research and Related Budget Up to 5/10 Years Form

Under B (Other Personnel), please provide a block for base salaries (as is done for key personnel). We require full backup information from applicants when reviewing budgets, and we consistently have to ask them for base salaries for other personnel to verify salary and fringe requests- if we provide space for them to provide base salaries, we should be able to reduce the amount of follow-up information we request during our reviews.

Response: As agreed by the R&R, data on this personnel category is not collected at the individual level. If information at this level of detail is required, it needs to be collected as an agency specific.

Research and Related Budget Up to 5/10 Years Instructions

1. See item 2 under "Budget Forms and Instructions - General Comments."

Response: As agreed by the R&R, data on this personnel category is not collected at the individual level. If information at this level of detail is required, it needs to be collected as an agency specific.

2. See item 3 under "Budget Forms and Instructions - General Comments."

Response: As agreed by the R&R, data on this personnel category is not collected at the individual level. If information at this level of detail is required, it needs to be collected as an agency specific.

3. Under A (Senior/Key Person), Base Salary: remove, "You may choose to leave this column blank." We request base salaries from applicants when reviewing budgets. While the data element is not required on the form (marked with an asterisk), we would prefer that the optional nature of this data element not be highlighted.

Response: This data element is confidential information, and, as such, agencies must permit such information to be provided, per agency instructions.

4. Under B (Other Personnel): If the base salary element is included on the form as requested above, a corresponding instruction should be included here.

Response: This data element is confidential information, and, as such, agencies must permit such information to be provided, per agency instructions.

5. Under B (Other Personnel), "Total Salary, Wages and Fringe Benefits (A+B)" - should this instruction include, "This total will auto-calculate."?

Response: Concur.

6. Under E (Participant/Trainee Support Costs): we recommend adding the following instruction immediately under this header, as justifications are necessary for all requested support costs:

"Use the budget justification to provide a breakdown of costs proposed for each type of participant/trainee support cost listed below."

Response: Agencies vary in the categories that must be justified in the budget justification. Therefore, agencies should utilize their agency specific instructions to document where justification is required.

7. Under F (Other Direct Costs), item 5 (Subawards/Consortium/Contractual Costs), add, "In the budget justification, identify each subawardee, consortium member or subcontractor, and justify the costs for each entity."

Response: This data element is confidential information, and, as such, agencies must permit such information to be provided, per agency instructions.

Research and Related Budget (Total Fed + Non-Fed) Form

Under B (Other Personnel), please provide a block for base salaries (as is done for key personnel). We require full backup information from applicants when reviewing budgets, and we consistently have to ask them for base salaries for other personnel to verify salary and fringe requests- if we provide space for them to provide base salaries, we should be able to reduce the amount of follow-up information we request during our reviews.

Response: As agreed by the R&R, data on this personnel category is not collected at the individual level. If information at this level of detail is required, it needs to be collected as an agency specific.

Research and Related Budget (Total Fed + Non-Fed) Instructions

1. See item 2 under "Budget Forms and Instructions - General Comments."

Response: This type of instruction should be prominently placed in the application guide or similar instruction document as it is generally applicable to the entire R&R application.

2. See item 3 under "Budget Forms and Instructions - General Comments."

Response: While agencies are bound to use the instructions on the form, we encourage agencies to format instructions as they deem appropriate. Agencies may augment the instructions with agency specific guidance.

3. Throughout the instructions, a sentence recurs which is similar to "This field is required for the addition of [personnel]," or "This field is required if funds are proposed for [type of item]." These sentences do not add value - we believe that applicants filling out the R&R forms would know to include a requested amount for each category in which they are requesting funding (travel, participant

support, etc.). We recommend that these sentences be removed except in certain limited cases, listed here:

- Retain the sentence under:
- A Senior/Key Person, "Additional Senior Key Persons" (but see below)
 - B. Other Personnel, "Number of Personnel and Project Role"
 - C. Equipment Description (however, it can be removed from the "Total Equipment" instructions)

Response: This is a 508 compliance issue and needs to be retained as currently drafted. Any required field also must be so specified in the instructions to be 508 compliant.

4. Under A (Senior/Key Person), please check the definitions of Federal and Non-Federal - they are incorrect.

Response: Concur. The instructions will be modified, as necessary.

5. Under A (Senior/Key Person), "Additional Senior Key Persons": add the following after "all pertinent budget information":

"as identified in this section"

to ensure that full data is provided within the application for each additional senior/key person proposed by the applicant. Simple totals are not sufficient in the document an applicant would attach to the budget form.

Response: Concur. The instructions will be modified accordingly in both the Total Funds Requested Budget and in the Fed/Non-Fed Budget.

In addition, the last sentence should read in part, "This attachment is required..." not "This field is required..."

Response: Concur. The instructions will be modified to read as follows:

"This attachment is required if funds are entered in line 9 of section A."

This sentence will be added to all budget components.

6. Under B (Other Personnel): If the base salary element is included on the form as requested above, a corresponding instruction should be included here.

Response: See note above. Field will not be added. As such, no modification to instructions is required.

Also, the header "Required Salary" should be "Requested Salary"

Response: Concur. Header will be corrected.

7. Under E (Participant/Trainee Support Costs): we recommend adding the following instruction immediately under this header, as justifications are necessary for all requested support costs:

"Use the budget justification to provide a breakdown of costs proposed for each type of participant/trainee support cost listed below."

Response: Agencies vary in the categories that must be justified in the budget justification. Therefore, agencies should utilize their agency specific instructions to document where justification is required.

8. Under F (Other Direct Costs), item 5 (Subawards/Consortium/Contractual Costs), add, "In the budget justification, identify each subawardee, consortium member or subcontractor, and justify the costs for each entity," to the Federal, Non-Federal and Total instructions.

Response: Agencies vary in the categories that must be justified in the budget justification. Therefore, agencies should utilize their agency specific instructions to document where justification is required.

9. Under F (Other Direct Costs), item 6 (Equipment or Facility Rental/User Fees), the instructions that each fee be listed separately. However, the form provides only 1 line for this information. The instruction should be reworded to reflect this; please consider adding, "In the budget justification, identify each rental or use fee, and justify the costs," to the Federal, Non-Federal and Total instructions.

Response: Concur.

9. Payment/Gift to Respondents

Not applicable since there is no payment to respondents, other than remuneration of grantees.

10. Confidentiality

The grant-making agencies will maintain the authoritative copy of all application materials and data. Collection of information will be consistent with OMB policies related to the administration of Federal grants as well as agency policies and practices for access to electronic and paper records. If application forms are submitted through the Grants.gov Apply mechanism, Grants.gov will maintain only transmission records pertaining to the files. Grants.gov will not maintain application materials and data.

11. Sensitive Questions

Not applicable since there are no sensitive questions.

12. Burden Estimate

By aggregating agency’s estimates documented in their Paperwork Reduction Act Change Worksheets (OMB 83-C), an estimate of the total burden of the information collection was developed. The agencies who plan to use the forms are the Department of Commerce, Department of Energy, Department of Education, Department of Health and Human Services, Department of Defense, National Aeronautics and Space Administration, United States Department of Agriculture, National Science Foundation, and the Department of Homeland Security. Collectively, these agencies receive approximately 140,350 applications annually and estimate that it takes applicants approximately 60 hours on average to complete each application. Cumulatively, these organizations report that the total burden to applicants to be approximately 8,538,803 hours.

Section A. Estimated Annualized Burden Hours to Respondents

SF-424 (R&R) Form Estimated Annualized Burden to Respondents

Agency	Number of Annual Respondents	Number of Responses per Respondent	Total Annual Responses	Average Burden on Respondent per Response in Hours	Total Burden Hours
DOC	2,300	1	2,300	.4167	958
DOE	8,000	1	8,000	1.5	12,000
ED	1,200	1	1,200	40	48,000
HHS	60,000	1	60,000	60	3,600,000

DOD	2,500	5	12,500	1.076	13,345
NASA	10,000	1	10,000	1.5	15,000
USDA	6,000	1	6,000	1.25	7,500
NSF	40,000	1	40,000	120	4,800,000
DHS	350	1	350	120	42,000
TOTAL	130,350		140,350		8,358,803

The assignment of 60 hours of burden per response was calculated as follows:
8,358,803 total hrs. / 140,350 total responses = 60.839 hours per response
which is rounded to 60 hours.

Section B. Burden Cost

SF-424 (R&R) Form Estimated Annualized Cost to Respondents

Agency	Type of Respondent	Total Burden Hours	Hourly Wage Rate	Total Respondent Costs
DOC	Grant Writer	958	\$30	28,740
DOE	Grant Writer	12,000	\$30	360,000
ED	Grant Writer	48,000	\$30	1,440,000
HHS	Grant Writer	3,600,000	\$30	108,000,000
DOD	Grant Writer	13,345	\$30	400,350
NASA	Grant Writer	15,000	\$30	450,000
USDA	Grant Writer	7,500	\$30	225,000
NSF	Grant Writer	4,800,000	\$30	144,000,000
DHS	Grant Writer	42,000	\$30	1,260,000
TOTAL		8,358,803		\$256,164,090

13. Capital Costs

There is no projected incremental increase in the cost burden to respondents and record keepers associated with the use of the R&R collection. It should be noted that many applicant organizations already have systems in place to respond to OMBs guidance to Federal grant-making agencies to use the Grants.gov “Apply” mechanism, which encourages the electronic submission of grants applications.

14. Cost to the Federal Government

The proposed collection is based on revisions to the R&R collection currently in use. There is no projected incremental increase in the cost burden to the Federal Government with the implementation of the revised R&R collection. Each agency currently has existing personnel, systems and processes (or other resources) in place to receive and review their grant applications. Any additional cost for agency system development, maintenance and enhancements should not be attributed to use of the revised R&R collection, and therefore its use is not expected to alter annualized Federal costs.

Agency personnel time for 7 of the 9 agencies reporting burden hours to review the form is estimated at 76 minutes per form. Based on 140,350 responses per year ($140,350 \times 76$ minutes = 10,666,600 minutes; $10,666,600$ minutes = 177,776 hours estimated personnel time).

Grants administrative personnel generally are in the GS-9, 11, 12, 13, 14 and 15 range. Based on a step one average of these grades, an average hourly salary is \$42.76 per hour ($42.76/60$ minutes = .713 per minute and $.713 \times 76$ minutes = \$54.19 per application).

Therefore, $140,350$ annual applications \times \$54.19 = \$7,605,566 of estimated annual cost to the federal government to review the form.

The remaining 100,000 applications between HHS and NSF were calculated using a different methodology provided by those agencies as follows:

HHS used the NIH extramural budget for staff salaries (\$896,000,000). Of that amount, 80% of the total salary cost is expended on the R&R electronically submitted applications. HHS calculates that the 60,000 R&R applications use \$716,800,000 (app. \$11,947 per application)

NSF used the FY07 Stewardship budget of \$320,000,000. This amount equates to the costs associated with personnel compensation and benefits, information technology enable business systems, administrative travel, training, rent and other operating expenses related to NSF's research and education activities.

NSF calculates that its 40,000 R&R applications cost \$8,000 per application ($320,000,000/40,000$).

Therefore, total cost to the agencies to reviewing and processing the R&R applications is approximately \$1,044,405,566 ($7,605,566 + 716,800,000 + 320,000,000$).

15. Program or Burden Change

The proposed collection is a revised collection. The burden hours on the proposed collection are based on agency estimates.

16. Publication and Tabulation Dates

There are no publication plans for collected data including summarizing or tabulating by Grants.gov. The federal agencies that use the form may use the data collected to provide information as required to OMB in accordance with the Federal Funding Accountability and Transparency Act.

17. Expiration Date

Not applicable since the OMB number will be included on the data collection form.

18. Certification Statement

Not applicable since there are no exceptions to the certification.

B. Collections of Information Employing Statistical Methods

No statistical methods are employed in this information collection.