

Supporting Statement
Rural Development Grants
0570-NEW

A. Justification

1. Explain the circumstances that make the collection of information necessary.

The Agency is implementing a new consolidated regulatory grant platform. Currently, the new grant platform would combine eight existing grant programs. These eight programs are: (1) the Community Facilities Grant Program, that includes: (2) the Tribal College Grant Program and (3) the Economic Impact Initiatives Grant Program (OMB Control No. 0575-0173), (4) the Rural Cooperative Development Grant Program (OMB Control No. 0570-0006), (5) the Value-Added Producer Grant Program (OMB Control No. 0570-0039), (6) the Distance Learning and Telemedicine Grant Program (OMB Control No. 0572-0096), (7) the Rural Energy for America Program (formerly known as the Renewable Energy Systems and Energy Efficiency Improvements Program) under Title IX, Section 9007 of the Food, Conservation, and Energy Act of 2008 (2008 Farm Bill) (OMB Control No. 0570-0050), and (8) the Water and Waste Disposal Grant Program (OMB Control No. 0572-0121).

NOTE: The terms "the Agency" or "Agency" are used throughout this document to mean, as appropriate, Rural Development (RD), Rural Housing Service (RHS), Rural Utilities Service (RUS), or Rural Business-Cooperative Service (RBS).

Community Facilities Grant Program. The Agency is authorized by Section 306 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926) to make grants to public agencies, nonprofit corporations, and Indian tribes to develop essential community facilities in rural areas, except for utility-type service (e.g., telecommunications, hydroelectric) serving both rural and non-rural areas. Grant funds may be used to construct, enlarge, or improve community facilities for health care, public safety, and public services. This can include costs to acquire land needed for a facility, pay necessary professional fees, and purchase equipment required for its operation. The amount of grant assistance provided under this program must be the minimum amount sufficient for feasibility which will provide for facility operation and maintenance, reasonable reserves, and debt repayment. As statutorily required, grants may be made up to 75 percent of the cost of developing essentially community

facilities.

Economic Impact Initiatives Grant Program. This program is administered under the same regulations as the Community Facilities grant program, but provides grants to rural communities with extreme unemployment and severe economic depression. In addition, the essential community facility must be located in a rural community where the "not employed rate" is greater than 19.5 percent. (The "not employed rate" is the percentage of individuals over the age of 18 who reside within the community and who are ready, willing, and able to be employed but are unable to find employment, as determined by the Department of Labor of the State in which the community is located.) Notwithstanding the above, eligible applicants are otherwise the same as under the Community Facilities grant program. Eligible projects are also the same as under the Community Facilities grant program.

Tribal College Grant Program. The Tribal College grant program is designed to enhance educational opportunities at the Tribal colleges and universities designated as the 1994 Land-Grant Institutions by strengthening their educational programs. The program provides funding for essential community facilities and equipment for the Tribal colleges and universities. To be eligible to receive a grant under this program, the applicant must be one of the Tribal colleges or universities designated as the 1994 Land-Grant Institutions. Grant funds are disbursed based on a formula that attempts to provide an equal distribution of funds to each 1994 Institutions when possible.

Rural Cooperative Development Grant Program. The Rural Cooperative Development grant program provides grants for the development or continuation of the cooperative development center concept. Applicants eligible for rural cooperative development grants are nonprofit organizations and institutions, including institutions of higher education. Public bodies are not eligible to receive grants. Grant funds and matching funds may be used for, but are not limited to, providing the following to individuals, cooperatives, small businesses and other similar entities in rural areas served by the Center:

- Applied research, feasibility, environmental and other studies that may be useful for the purpose of cooperative development.
- Collection, interpretation and dissemination of principles, facts, technical knowledge, or other information for the purpose of cooperative development.

- Providing training and instruction for the purpose of cooperative development.
- Providing loans and grants for the purpose of cooperative development in accordance with the annual Notice of Solicitation of Applications and applicable regulations.
- Providing technical assistance, research services and advisory services for the purpose of cooperative development.

As required by its authorizing statute, grant funds may be used to pay up to 75 percent (95 percent where the grantee is a 1994 Institution) of the cost of establishing and operating centers for rural cooperative development.

Value-added Producer Grant Program. The purpose of this program is provide grants to enable producers to develop businesses that produce and market value-added agricultural products, including the development of strategies, creation of marketing opportunities, and development of business plans. Applicants eligible for grants under this program are independent producers, agricultural producer groups, farmer or rancher cooperatives, and majority-controlled producer-based business ventures. Except for independent producers, all other applicants must be entering an emerging market in order to be eligible. The program distinguishes between planning grants and working capital grants. Grant funds for planning grants may be used for such purposes as, but not necessarily limited to: obtaining legal advice and assistance; conducting a feasibility study; developing a business plan; and developing a marketing plan. Grant funds for working capital grant may be used for such purposes as, but not necessarily limited to: designing or purchasing an accounting system, paying for salaries, utilities, and rental office space; and purchasing inventory, office equipment, and office supplies. As required by its authorizing statute, grant funds may be used to pay up to 50 percent of the costs for carrying out eligible projects.

Distance Learning and Telemedicine Grant Program. The purpose of the Distance Learning and Telemedicine (DLT) Loan and Grant program is to encourage and improve telemedicine services and distance learning services in rural areas through the use of telecommunications, computer networks, and related advanced technologies by students, teachers, medical professionals, and rural residents. To be eligible to receive a grant under this program, the applicant must be legally organized as an

incorporated organization or partnership, an Indian tribe or tribal organization, as defined in 25 U.S.C. 450b (b) and (c), a state or local unit of government, a consortium, as defined in § 1703.102, or other legal entity, including a private corporation organized on a for profit or not-for profit basis. As implemented by the program office, an applicant is responsible for providing at least 15 percent of the grant amount requested and the minimum amount of a grant under this program is \$50,000.

Rural Energy for America Program Grant Program. The Rural Energy for America Program is authorized under the 2008 Farm Bill to make grants to agricultural producers and rural small businesses to purchase renewable energy systems and make energy efficiency improvements. The program is designed to help agricultural producers and rural small business reduce energy cost and consumption, develop new income streams, and help meet the nation's critical energy needs.

Water and Waste Disposal Facilities Grant Program. The Rural Utilities Service is authorized by Section 306 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926) to make grants to develop water and wastewater systems, including solid waste disposal and storm drainage, in rural areas and to cities and towns with a population of 10,000 or less. Example projects include construction of water lines, pumping stations, wells, storage tanks, and sewage treatment facilities. Eligible applicants for water and waste disposal facilities grants are public bodies, such as municipalities, counties, districts authorities, or other political subdivisions of a State, territory, or commonwealth; nonprofit organizations, such as corporations and associations; Indian tribes on Federal and State reservations or other Federally-recognized Indian tribes. Further, applicants must have the legal authority to own, construct, operate, and maintain the proposed facility. As required by its authorizing statute, grant funds are limited to no more than 75 percent of the Agency eligible project development costs. As implemented by the program office, grant funds are limited to (1) no more than 75 percent of the Agency eligible project development costs when the median household income of the service area is below the higher of the poverty line or 80 percent of the state non-metropolitan median income and the project is necessary to alleviate a health or sanitary problem and (2) no more than 45 percent of the Agency eligible project development costs when the median household income of the service area exceeds 80 percent of the state non-metropolitan median income but is not more than 100 percent of the statewide non-metropolitan median household income.

2. Explain how, by whom, and for what purpose the information is to be used.

Applicants seeking a grant will have to submit applications that include a project proposal with specified information, certifications, and agreements to the Agency. This information will be used to determine applicant eligibility, to determine project eligibility and feasibility, and to ensure that funds are used for authorized purposes.

REPORTING REQUIREMENTS - NO FORMS

Applicant Requirements - Project Proposals

Accompanying the application, applicants are required to provide additional information concerning their proposed project (§ 5002.32) (referred to in this document as "project proposals"). The type of information required varies by individual grant program included in the platform. The following paragraphs identify, by program, the information expected to accompany applications.

Community Facilities Grants

All applicants must submit a project proposal containing the elements described in the application package for this program. The required elements allow for in-depth evaluation as well as for consistency, organization, and clarity. The following are also required:

(1) Lease/Management Agreement. As required under Departmental Regulations, where the right of use or control of the facility/real property not owned by the applicant/grantee is essential to the successful operation of the facility during the term of the grant, such right will be evidenced by written agreements or leases between the owner of the property and the applicant/grantee, to protect the interest of the Government's investment and ensure services will contain. Also, contracts for services, such as management, operation, and maintenance, will be evidenced by a management agreement to ensure essential community facility services will continue to be available to the entire public.

(2) Statement on Ability to Obtain Credit Elsewhere. As required under the Consolidated Farm and Rural Development Act, as amended through the Federal Agriculture Improvement and Reform

Act of 1996, applicants must certify in writing that they are unable to finance the proposed project from their own resources or through commercial sources at reasonable rates and terms.

(3) Financial Feasibility Report that demonstrates economic feasibility and that the grant request is the minimum amount necessary for project feasibility.

Rural Cooperative Development Grants

All applicants must submit a project proposal containing the elements described in the application package for this program. The required elements allow for in-depth evaluation as well as for consistency, organization, and clarity. The main elements of the proposal are:

(1) Executive Summary. A brief description of the Rural Cooperative Development Center (Center), including goals and tasks to be accomplished, the amount requested, how the work will be performed and whether organizational staff, consultants or contractors will be used.

(2) Eligibility. This is a separate section used to establish that the applicant meets the statutory eligibility requirements.

(3) Proposal Narrative. This main section of the proposal must include, but is not limited to, the following:

(i) Information Sheet listing each of the evaluation criteria.

(ii) Goals of the Project, listing the services to be provided by the applicant Center and including the following:

(a) a provision that substantiates that the Center will effectively serve rural areas in the United States;

(b) a provision that the primary objective of the Center will be to improve the economic condition of rural areas through cooperative development;

(c) a description of the contributions that the proposed activities are likely to make to the improvement of the economic conditions of the rural areas for which the Center will provide services; and

(d) a provision that the Center, in carrying out the activities, will seek, where appropriate, the advice, participation, expertise, and assistance of representatives of business, industry, educational institutions, the Federal Government, and State and local governments.

(iii) Work Plan, describing how the goals are to be attained, the specific tasks to be completed using grant and matching funds, how customers will be identified, key personnel to be involved, and the evaluation methods to be used to determine the success of specific tasks and overall objectives of Center operations. The budget must present a breakdown of the estimated costs associated with cooperative development activities as well as the operation of the Center and allocate these costs to each of the tasks to be undertaken. Matching funds as well as grant funds must be accounted for in the budget.

(iv) Performance Evaluation Criteria.

(v) Undertakings. The applicant should expressly undertake to do the following:

(a) Take all practicable steps to develop continuing sources of financial support for the Center, particularly from sources in the private sectors;

(b) Make arrangements for the activities by the nonprofit institution operating the Center to be monitored and evaluated; and

(c) Provide an accounting for the money received by the grantee under this subpart.

(vi) Delivery of cooperative development assistance. The applicant must describe its previous accomplishments and outcomes in cooperative development activities and/or its potential for effective delivery of cooperative development services to rural areas. The applicant should also describe the type(s) of assistance to be provided, the expected impacts of that assistance, the sustainability of cooperative organizations receiving the assistance, and the transferability of its cooperative development strategy and focus to other areas of the U.S.

(vii) Qualifications of Personnel.

(viii) Support and commitments. Applicants must describe

the level of support and commitment in the community for the proposed Center and the services it would provide. Plans for coordinating with other developmental organizations in the proposed service area, or with state and local government institutions should be included. Letters supporting cooperation and coordination from potential local customers should be provided.

(ix) Future support.

(x) Evaluation criteria. Each of the evaluation criteria referenced in the RFP must be specifically and individually addressed in narrative form.

(4) Verification of Matching Funds.

(5) Certification of matching funds.

Value-Added Producer Grants

All applicants must submit a project proposal containing the elements described in the application package for this program. The required elements allow for in-depth evaluation as well as for consistency, organization, and clarity. If the applicant meets certain specified criteria, the applicant may submit a "simplified" application, which reduces the amount of information that the applicant must collect and submit.

Distance Learning and Telemedicine (DLT) Grants

All applicants must submit a project proposal containing the elements described in the application package for this program. The required elements allow for in-depth evaluation as well as for consistency, organization, and clarity. The main elements of the proposal are:

(1) Executive Summary. The executive summary provides reviewers the overall view of the proposed project and will enable the Agency to determine that the goals and objectives of the DLT Program will be met by the proposed project.

(2) Scoring Criteria Documentation. The applicant must provide information for four objective scoring criteria with the aid of worksheets and provide written documentation for the subjective criteria. This information is needed as part of the competitive scoring process that decides which projects will be funded.

(3) Scope of Work. The proposed scope of work should discuss how the applicant proposes to proceed with the project, if funded. The scope of work must include the specific activities to be performed under the project; who will carry out the activities; the timeframes for accomplishing the project objectives and activities; and a budget for all capital requirements reflecting the line item costs for approved purposes for the grant funds and matching funds, and for other sources of funds for the project.

(4) Financial information. The applicant must provide a narrative description demonstrating the feasibility of the project. The applicant should address its technical and programmatic expertise in undertaking and completing the project and how this expertise will ensure project sustainability. The applicant should also address what resources will be devoted to the project and how these resources are sufficient to sustain the project. The narrative description should include all assumptions and the following information:

- A description of the project's revenues and expenses;
- Evidence of cost sharing arrangements among hub and end-user sites, if applicable;
- Identification of any other items that may affect feasibility or sustainability of the project; and
- For applicants under §1703.103(a)(2)(ii) of Subpart D, an explanation of the economic analysis justifying the rate structure to ensure that the benefits, including cost savings, of the financial assistance is passed through to those receiving telemedicine or distance learning services.

The applicant must also provide a summary explaining how the enclosed financial information supports the applicant's need for the financing requested for the project. The applicant must show its financial ability to complete the project and show project feasibility. Applicants, including all members of a consortium, must provide an income statement and balance sheet for the most recent annual reporting period preceding the date of application. When the applicant is a partnership, company, corporation, or other entity, current balance sheets are needed from each of the entities that have at least a 20 percent interest in the applicant. When the applicant is a consortium, a current balance sheet is needed from each member of the consortium and from each

of the entities that has at least a 20 percent increase in such member of the consortium.

(5) Statement of experience. The applicant must provide a written narrative describing its demonstrated capability and experience, if any, in operating an educational or health care endeavor and any project similar to the proposed project.

(6) Funding commitments from other sources. Applicants must provide evidence that all funds in addition to the funds requested from the Agency are committed and will be used for the proposed project. A letter from the organization providing the matching funds is an example of the evidence required.

(7) Telecommunication System Plan (TSP). The TSP will aid in scoring of the grant application in such areas as "Cost Effectiveness of the System" and "Innovativeness of the Project." It is also used in determining feasibility of the system for the grant application.

(8) Certification regarding architectural barriers. This information is required by the Architectural Barriers Act of 1968, as amended.

(9) Other Funding Sources. The applicant must provide evidence that it has consulted with the USDA State Director - Rural Development concerning the availability of other sources of funding available at the State or local level.

(10) State Strategic Plan. The applicant must provide evidence from the USDA State Director - Rural Development that the application conforms with the State strategic plan as prepared under section 381D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.). (The applicant should indicate if such a plan does not exist.)

(11) Non Duplication of Service Certificate. Applicants must certify that the facilities financed with the funding received will not duplicate adequate telemedicine and/or distance learning services.

(12) Evidence of Legal Existence. The applicant must provide evidence demonstrating that it is legally recognized under State and Federal law. Satisfactory documentation includes, but is not limited to, certificates from the Secretary of State, State statutes or laws establishing your organization.

(13) Non-Constructions Assurances. The following certifications are required:

- Equal Opportunity and Nondiscrimination Certification. This information is required by U.S. Title VI of the Civil Rights Act of 1964, as amended, section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, as amended, and Executive Order 11246, Equal Employment Opportunity, as amended.
- Certificate Regarding Flood Hazard Area Precautions. If the project is in an area subject to flooding, flood insurance must be provided to the extent available and required under the Flood Disaster Protection Act of 1973, as amended.
- Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Certification. This certification assures that the recipient of financial assistance will comply with this act.

(14) Environmental Information. The applicant must provide details of the project's impact on the environment and historic preservation. The application must contain a separate section entitled "Environmental Impact of the Project." Applicants may use Attachment 12 or 13 of the Application Guides to help in complying with this requirement.

(15) Federal Debt Certification. The applicant must provide certification that it is not delinquent on any Federal debt and understands the actions the government may take if it fails to make scheduled payments.

Rural Energy for America Program Grants

Application Narrative. Applicants may submit a simplified application if their proposed project's total eligible project costs are \$200,000 or less; otherwise, a full application is to be submitted. In either case, the main elements of the written portion of the application, unless otherwise noted, are:

(1) A project summary of the proposal, a description of how they meet the definition of an eligible applicant, and how the project meets the criteria for an eligible project.

(2) A description of the applicant's total operation and the relationship of the proposed project to the applicant's total operation and a description of the ownership of the applicant, including a list of individuals and/or entities with ownership

interest, names of any corporate parents, affiliates, and subsidiaries, as well as a description of the relationship including products between these entities.

(3) Financial information for size determination. For rural small businesses, the applicant must provide sufficient information to determine total annual receipts for and number of employees of the business and any parent, subsidiary, or affiliates at other locations. Voluntarily providing tax returns is one means of satisfying this requirement. The information provided must be sufficient for the Agency to make a determination of business size as defined by the Small Business Administration. For agricultural producers, the applicant must provide the gross market value of your agricultural products, gross agricultural income, and gross non-farm income of the applicant for the calendar year preceding the year in which you submit your application.

(4) For full applications only, historical financial statements prepared in accordance with Generally Accepted Accounting Practices (GAAP) for the past 3 years, including income statements and balance sheets. If agricultural producers are unable to present this information in accordance with GAAP, they may instead present financial information for the past years in the format that is generally required by commercial agriculture lenders. Applicant must provide a current balance sheet and income statement prepared in accordance with generally accepted accounting principles (GAAP) and dated within 90 days of the application. Agricultural producers should present financial information in the format that is generally required by commercial agriculture lenders. In addition, applicants must provide pro forma balance sheet at startup of the agricultural producer's/rural small business' business that reflects the use of the grant award; and 3 additional years, indicating the necessary start-up capital, operating capital, and short-term credit; and projected cash flow and income statements for 3 years supported by a list of assumptions showing the basis for the projections.

(5) A spreadsheet identifying sources of matching funds, their amounts, and the status of matching funds. The spreadsheet must also include a directory of matching funds source contact information and any applications, correspondence, or other written communication between applicant and matching fund source.

(6) A self-score of the project, including appropriate calculations and attached documentation, or specific cross-

references to information elsewhere in the application.

(7) The applicant is required to notify the designated State clearinghouse of its proposal. This is to ensure the project is in compliance with State and local development strategies.

Certification for contracts, grants and loans required by 7 CFR 3018.110 if grant exceeds \$100,000. 7 CFR 3018.110 imposes prohibitions and requirements for disclosure and certification related to lobbying on recipients of Federal contracts, grants, cooperative agreements, and loans.

Association or Relationship with Agency employees. The applicant must certify as to whether or not there is a known relationship or association with an Agency employee.

Technical report. Applicants must submit an appropriate technical report on each proposed project. The contents of the report depend on the type of project and the size of the grant being requested.

Energy Audits. For energy efficiency improvement projects with total eligible project costs greater than \$50,000, an energy audit is required.

Feasibility Studies. A business-level-feasibility study prepared by an independent qualified consultant may be required for all renewable energy system projects that exceed \$200,000. The business-level feasibility study must include an evaluation of the market, financial, economic, technical, and management feasibility of the proposed project. This study must also include an opinion and a recommendation by the independent consultant. Energy efficiency improvement projects do not require a business-level feasibility study to be completed.

Insurance. National flood insurance in accordance with 7 CFR part 1806, subpart B, and, except for projects with total eligible project costs of \$200,000 or less, business interruption insurance appropriate to the grantee's particular business and circumstances are required.

Environmental Analysis. An environmental analysis completed in accordance with 7 CFR part 1940, subpart G.

Construction Planning and Performing Development. The Agency will use construction planning and performing development

requirements of 7 CFR part 1780, subpart C, will be used for grants. Owners are allowed to perform project development work provided they meet certain experience requirements.

Water and Waste Disposal Grants

All applicants must submit a project proposal containing the elements described in the application package for this program. The required elements allow for in-depth evaluation as well as for consistency, organization, and clarity. The main elements are:

Relationship or Association with Agency Employees.

Applicants must identify and report any known relationship or association with an Agency employee such as close personal association, immediate family, close relatives, or business associates.

Statement on Availability to Obtain Credit Elsewhere.

Applicants must certify in writing that they are unable to finance the proposed project from their own resources or through commercial sources at reasonable rates and terms. The Consolidated Farm and Rural Development Act, as amended, requires the credit elsewhere statement.

Notification of Service Statement. If it is not economically feasible to serve all users in an applicant's service area, then the applicant is required to notify those users who will not be served.

Evidence of Public Notice. Applicants must publish a notice of intent to file an application with the Agency in a general circulation newspaper. They must provide a copy of the published notice to the Agency. Applicants also must conduct a public information meeting to allow public input into the proposed project when an election by the membership or public referendum is not required. They must provide the Agency a copy of the published notice and the minutes of the public meeting. The minutes serve as documentation of this meeting.

Intergovernmental Comments. Applicants must submit a copy of written comments from their State or regional clearinghouse stating whether the proposed project will be consistent and will not conflict with plans, goals, or objectives of the State or region in which the proposed project will be located.

Preliminary Engineering Report. Applicants must submit a preliminary engineering report (PER) prepared by a qualified

engineer. The PER indicates areas to be served, scope and need of the project, cost estimate, annual operating expenses, etc. This report is necessary for the Agency to determine project feasibility.

Supporting Documentation. Applicants must provide documentation of legal organization and authority to construct, operate, manage the facility, etc. The documentation may include articles of incorporation, certificate of incorporation and good standing, bylaws, rules, and organizational minutes. Applicants also must provide financial information such as financial statements, audits, or existing debt instruments. This information is necessary for the Agency to determine an organization's legal existence and authority to perform certain functions.

Agreements for Professional Services. Applicants must contract for the professional services rendered from an engineer, attorney, bond counsel, accountant, auditor, appraiser, or financial advisor. Contracts or other forms of agreement for services necessary for project planning and development are subject to Agency concurrence. Applicants must submit them to the Agency for review and concurrence to ensure the needed services will be available at a reasonable cost.

Contracts for Other Services. Contracts or other forms of agreement for services such as management, operation, and maintenance must be presented to the Agency for review and concurrence. Although these functions are performed by a third party under contract, management, or written lease, applicants are responsible for operating, maintaining, and managing the facilities.

Positive Programs to Encourage Connections. Applicants must provide a positive program to encourage connection by all users as soon as service is available. They must provide evidence to the Agency that a positive program has been provided.

User Agreement. All new users on a proposed system must enter into an enforceable user agreement with an applicant or recipient unless local laws or ordinances mandate connections to the system. This requirement is necessary to assure that the proposed number of users will be connecting to the system and paying for the service. The Agency must approve the form of agreement.

Letter of Conditions (§ 5002.61(a))

Applicants under each of the programs submit a "letter of intent" to indicate their acceptance of conditions found in the letter of conditions or to propose alternative conditions.

Water and Waste Disposal Grants

In addition, the Water and Waste Disposal grant program requires additional information from applicants selected for potential funding as part of the conditional commitment as follows:

Insurance. The Agency requires certain forms of insurance, which are normal in any organization, as shown below. Applicants are responsible for ensuring that adequate insurance and fidelity or employee dishonesty bond coverage is maintained. The Agency will accept the insurance requirements proposed by applicants if the Agency determines that the proposed coverage is adequate to protect the Government's financial interest. The types of insurance required are:

- Fidelity or Employee Dishonesty Bond,
- Property Insurance
- General Liability Insurance
- Flood Insurance
- Workman's Compensation Insurance

Evidence of Other Funds. When applicants expect to use funds from other sources to complete projects being financed partially with Agency funds, they will present evidence of the other sources' funding commitment.

This evidence ensures that necessary funds are available to complete the project.

Water Rights. When applicable, applicants must furnish these documents for the Agency to review: (1) a statement from their attorneys about the nature of the water rights owned or to be acquired, and (2) a copy of any contracts or stock certificates.

Appraisal Report. Applicants are responsible for determining that prices paid to acquire all property rights necessary for a project are fair and reasonable. The Agency may require an independent appraisal in some instances to determine

the present market value of the property.

User Connections. When Agency funds the costs of connecting a user to the system, applicants will obtain adequate rights to construct and maintain the connection line or other facilities located on the users property. This right may be obtained through formal easements or user agreements. This requirement assures that the facilities financed with Agency funds provide the intended service.

Lease Agreements. Applicants must provide written agreements or contracts with property owners when applicants do not own the right to use or control real property, but the right is essential to the successful operation of the facility. This written agreement is needed to protect the interest of the Government and to ensure that the facility can provide the intended service.

Grant Agreement (§ 5002.61(b))

Each program executes a grant agreement, or similar Agency-approved agreement, with the recipient of the grant. The agreement outlines the responsibilities of the grantee and is necessary to ensure grant funds are used only for the purposes and activities specifically approved. Applicants enter into this agreement prior to the advance of funds.

Several program require additional information, as summarized below.

Community Facilities Grants

Liens on real property. In accordance with 7 CFR parts 3015, 3016, and 3019, and 7 CFR parts 3570, subpart B and 1942, subpart-A, the Agency is required to be secured by the best position practicable to protect the Government's interest during the term of the grant. Security may include assignments, liens on real property, and equipment, etc.

Distance Learning and Telemedicine Grants

Evidence of Fidelity Bond Coverage. Fidelity bonds are required for an amount equal to the greatest amount of funds on hand by a recipient of financial assistance. This is to ensure that if funds are somehow lost, stolen, misappropriated, etc., that the actual loss to the recipient of financial assistance will be mitigated and that purposes of the grant will continue.

Water and Waste Disposal Grants

Construction Contract Forms. Contracts for construction to be paid for with Agency funds must be submitted to the Agency for review and concurrence. The contracts must be adequate to protect the interests of both the recipient and the Agency.

Attorney's Certification of Construction Contract. The grantee's attorney gives legal certification regarding the adequacy of contract documents. The attorney reviews executed contract documents, including performance and payment bonds, and certifies that they are adequate and properly authorized. This certification ensures that the proper legal matters required of the recipient have been satisfied before the grant is made.

Sewage Treatment and Bulk Water Sales Contracts. Sewage treatment and bulk water sales are essential to operations. Applicants that plan to contract with third parties to treat and supply bulk water must have written contracts for service. These contracts are subject to Agency review and concurrence to ensure that the service provided for in the contract will be available on a continuing basis at a reasonable cost.

Contracts Awarded Prior to Application. When applicants award construction contracts before they submit their application, they must submit documentation to ensure that the contract is awarded in accordance with procurement regulations. The documentation is necessary to ensure the applicant has not circumvented the regulations and is in compliance.

Monitoring and Tracking Performance (§ 5002.70) **Monitoring Construction (§ 5002.70(a))**

Water and Waste Disposal Grants

Monitoring Reports. Owners are responsible for maintaining a contract administration system to monitor the contractors' performance and compliance with the contracts. They must provide reports to the Agency, explaining significant events that affect the progress of project construction.

Resident Inspector Resume. The resident inspector for a construction project must submit a resume' demonstrating that the inspector is qualified to perform the duties.

Daily Inspection Report. The construction inspector for a

construction project must maintain a daily log of progress, problems, and any other items that may affect construction. These reports provide information to serve as a basis for decisions for payment, change orders, or other actions. The Agency may require these reports to be submitted on a weekly basis during the duration of the construction, or they will be made available for inspection during Agency visits.

Project performance report (§ 5002.70(b))

Various project performance reports, including final reports, are required to be submitted by grantees. These project performance reports are as follows.

Rural Cooperative Development Grants

Performance reports. USDA uses performance reports to confirm that progress is being made toward achieving the stated goals of the project.

Final Report. USDA will use the final reports to measure the achievements of the Center financed with USDA grant funds.

Value-Added Producer Grants

Performance Reports. Funded recipients will be required to submit written project performance reports on a semi-annual basis. The project performance reports will include, but are not limited to:

- a comparison of accomplishments to the established objectives;
- if established objectives are not met, reasons why they were not met;
- problems, delays, or adverse conditions, which will materially affect attainment of planned project objectives;
- objectives for the next reporting period; and
- discussion of compliance with any special conditions on the use of awarded funds.

Final Report. USDA will use the final report to measure the achievements and the overall effectiveness of those value-added projects funded by grant funds.

Rural Energy for America Program Grants

Performance Report. Grantees will be required to submit a

project performance report on a quarterly basis. The report will compare actual accomplishments to objectives, provide explanations if objectives are not obtained, and outline ways to correct problem situations. It will also outline objectives and timetables for the next reporting period.

Final Performance Report. In addition, they will be required to submit a final project performance report, which must address the following items in addition to the previously stated requirements for the project performance report: a detailed project funding and expense summary; summary of facility installation/construction process including recommendations for development of similar projects by future applicants to the program.

Financial Audit Report. For the years in which grant funds are received, the grantee will be required to submit an audit in accordance with 7 CFR part 3052.

Periodic Servicing Reports. Grantees will be required to submit periodic servicing reports. For renewable energy projects, these reports will include information on the quantity of energy produced, environmental benefits, return on investment, a summary of the cost of operating and maintaining the facility, a description of any maintenance or operational problems associated with the facility, and recommendations for development of future similar projects. For energy efficiency improvement projects, the report will identify the actual amount of energy saved due to the energy efficiency improvements.

Distance Learning and Telemedicine Grants

Performance Report. This information will allow the Agency to ensure that the interests of the government are being protected and the goals and objectives of the program are being met. The report will be prepared by the recipient of financial assistance on an annual basis while the grant funds are being expended to report on the progress in implementing the project; this will include information on the comparison of actual accomplishments to the objectives established for the period, reasons why established objectives may have not been met, descriptions of any problems, delays or adverse conditions, and timetables established for the next reporting period.

Water and Waste Disposal Grants

Management Reports. Management reports that will provide

management a means of evaluating prior decisions and serve as a basis for planning future operations and financial strategies must be provided. This requirement is necessary to help ensure that the facility will be properly managed and to protect the financial interest of the Government.

Grant Close Out and Related Activities (§ 5002.80)

Distance Learning and Telemedicine Grants

Audit Report. Audit reports will be required in accordance with 7 CFR parts 1773 and 3015, subpart I, to determine that grant funds have been utilized for approved purposes.

Water and Waste Disposal Grants

Audits Based on Federal Assistance. Audited financial statements must be submitted annually in accordance with Generally Accepted Government Auditing Standards (GAGAS). The audit must comply with the requirements of OMB Circular A-133, "Audits of State, Local Governments, and Non-Profit Organizations" or Water and Waste Disposal audit requirements.

Recordkeeping Requirements

Under the Departmental regulations, which are incorporated by reference, grantees under each of the programs are required to keep financial records, supporting documents, statistical records, and all other records pertinent to the award for a period of at least 3 years after the grant has been determined completed. The exception is that records will be retained beyond 3 years if audit findings have not been resolved.

Rural Cooperative Development Grants

Beneficiary Data. USDA uses data on the race, sex and national origin of beneficiaries of the Center to monitor compliance with civil rights laws and to respond to Congressional inquiries.

REPORTING REQUIREMENTS - FORMS APPROVED WITH THIS DOCKET

AD-1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions" or other written documentation (Distance Learning and Telemedicine (DLTG), Rural Energy for America Program (REAP), Water and Waste

Disposal (WW)

This form certifies that the applicant is not presently debarred, suspended, or voluntarily excluded from covered transactions by any Federal department or agency.

Form AD-1048, "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions" or other written documentation (DLTG)

This form certifies that lower tier participants are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any Federal department or agency.

AD-1049, "Certification Regarding Drug-Free Workplace Requirements (Grants) Alternative I - For Grantees Other Than Individuals" (DLTG, REAP, WW)

This certification is required by the regulations implementing section 5151-5160 of the Drug-Free Workplace Act of 1988 (7 CFR 3017.600). Applicants are required to comply with the requirements for drug-free workplace and provide certification under these regulations.

RD 400-1, "Equal Opportunity Agreement" (Community Facilities (CF), DLTG, REAP, WW) also under 0575-0018

All applicants and recipients are required to complete this form to comply with Equal Opportunity requirements.

RD 400-4, "Assurance Agreement" (CF, DLTG, REAP, WW) also under 0575-0018

All applicants and recipients are required to complete this form to comply with Civil Rights Acts and laws.

RD 440-11, "Estimate of Funds Needed for 30-Day Period Commencing [insert date]" (WW) also under 0575-0015

Applicants use this form to request an amount of funds required in construction projects for a 30-day period.

RD 442-2, "Statement of Budget, Income and Equity" (WW) also under 0575-0015

This form serves a dual purpose as a budget and an income and

expense statement. The Agency generally requires new recipients to submit this form each quarter for the first 3 years so the Agency can monitor financial progress in the early years of operation. The report is then discontinued for those recipients that are progressing satisfactorily. As a budget report, recipients must submit their budget estimates before the beginning of each fiscal year. In these cases only, column three is to be completed. Recipients, at their option, may also use this form as a year-end income and expense statement when audited financial statements are not prepared.

RD 442-3, "Balance Sheet" (WW) also under 0575-0015

All applicants use this form to present their assets, liabilities, and net worth. This form is necessary for all applicants, who prepare it once to present a comparative balance sheet for the most current and prior years.

RD 442-7, "Operating Budget" (WW) also under 0575-0015

All applicants use the form to project income and expense items and a complete cash flow through the first full year of operations.

RD 442-22, "Opinion of Counsel Relative to Rights of Way" (WW) also under 0575-0015

Applicants and their attorneys may use this form in obtaining continuous and adequate rights-of-way and interest in land needed for the construction, operation, and maintenance of a facility.

RD 442-30, "Water Purchase Contract" (WW) also under 0575-0015

Applicants use this form to enter into a contractual arrangement to ensure an adequate supply of water when the applicant is purchasing water from a supplier. Applicants use this form when they do not have an adequate water supply or any water treatment facilities.

RUS 1780-12, "Water and Waste System Grant Agreement" (WW)

This agreement outlines the responsibilities of the grantee and is necessary to ensure grant funds are used only for the purposes and activities specifically approved.

RD 1924-6, "Construction Contract" (REAP) also under 0575-0042

This form is used when development work is performed by the contract method.

RD 1924-7, "Contract Change Order" (WW) also under 0575-0042

Applicants, engineers, and contractors may use this form to request and approve changes to a project under the construction contract.

RD 1924-18, "Partial Payment Estimate" (WW) also under 0575-0042

Applicants, engineers, and contractors may use this form to request partial payment on construction work completed under the terms of a contract.

RD 1940-1, "Request for Obligation of Funds" (REAP)

This form is completed for each note or commitment requiring an obligation of funds.

RD 1940-20, "Request for Environmental Information" (REAP)

Applicants provide environmental information, which is used by Rural Development to complete an environmental assessment of the application.

RD 1942-8, "Resolution of Members or Stockholders" (WW) also under 0575-0015

Nonprofit applicants prepare this form to indicate that the governing body has the authority to enter into a grant agreement of a particular amount with the Agency.

RD 1942-19, "Agreement for Engineering Services" (WW) also under 0575-0015

Applicants, their engineers, and the Agency may use the form to set forth the necessary services to be provided by a project engineer.

RD 1942-46, "Letter of Intent to Meet Conditions" (CF, DLTP, RCDG, REAP, VAPG, WW) also under 0575-0015

This form is used by the applicants to indicate acceptance to the agency's terms and conditions.

RD 5002-1, "Community Facilities Grant Agreement"

This agreement outlines the responsibilities of the grantee and is necessary to ensure grant funds are used only for the purposes and activities specifically approved.

RD 5002-2A, "Rural Energy for America Grant Agreement"

This agreement outlines the responsibilities of the grantee and is necessary to ensure grant funds are used only for the purposes and activities specifically approved.

REPORTING REQUIREMENTS - FORMS APPROVED UNDER OTHER OMB NUMBERS

SF-424, "Application for Federal Assistance" (OMB No. 4040-0004)
(all grant programs)

This is the standard application required to be executed for all Federal grant programs. It is used the required face sheet for applications for Federal grant funding.

SF-424A, Budget Information - Non-Construction Programs (OMB No. 4040-0006) (DLTG, Rural Cooperative Development (RCDG), Value-Added Producer (VAPG) programs)

This form must be completed by applicants to show the project's anticipated budget breakdown in terms of expense categories and division of Federal and non-Federal sources of funds. Identifying the project's requested funding by expense category is necessary to assure that the expense is necessary for successful conduct of the project, is allowable under applicable Federal cost principles, and is not prohibited under any applicable Federal statute or regulation.

SF-424B, Assurances - Non-Construction Programs (OMB No. 4040-0007) (DLTG, RCDG, VAPG)

This form must be completed by the applicant to provide the Federal government certain assurances of the applicant's legal authority to apply for Federal assistance and financial capability to pay the non-Federal share of project costs. The applicant also assures compliance with various legal and regulatory requirements as described in the form, including, but not necessarily limited to, Title VI of the Civil Rights Act of 1964, as amended, section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, as amended, and Executive Order 11246, Equal Employment Opportunity, as amended.

SF-424C, "Budget Information - Construction Programs" (OMB No. 4040-0008) (REAP)

The form is used by applicants to breakdown the line item budget costs in detail.

SF-424D, "Assurances - Construction Programs" (OMB No. 4040-0009)" (REAP)

The form is signed by applicants to provide assurances that they will meet certain requirements of OMB Circular A-102.

SF-269, "Financial Status report" (OMB No. 0348-0039) (CF, RCDG, VAPG)

This form is used to confirm that funds are being spent in conformity with the budget and work plan.

SF-270, "Request for Advance or Reimbursement" (OMB No. 0348-0004) (DLTG, RCDG, VAPG)

This form is used to request payment of funds under the grant. Grant funds will not be disbursed on more than a monthly basis.

SF-271, "Outlay and Request for Reimbursement for Construction Programs" (OMB No. 0348-0002)" (REAP)

This form is used by the grantee to request advances or reimbursement of cash outlays.

SF-LLL, "Disclosure of Lobbying Activities" (OMB No. 0348-0046) (DLTG, REAP)

All applicants are required to complete this form, regardless of their involvement in lobbying activities.

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. Also describe any consideration of using information technology to reduce burden.

The Agency strongly encourages applicants to submit as much material as possible electronically using www.Grants.gov, which would allow the Agency to retrieve the applications electronically. Further, applicants who receive funding will be

encouraged, but not required to submit semi-annual and final reports electronically. However, the Agency will not totally require submission by electronic methods because some applicants may not have the technological expertise for electronic submission or may not have the equipment necessary for high technological information gathering. The Agency will prepare application guides to help reduce the effort associated with preparing applications. When the final rule is published, these guides could be posted on the Agency's Web site along with all forms for the applicant to print off.

4. Describe efforts to identify duplication.

The Agency extensively reviewed current forms from all eight programs to identify common, unique, and outdated data elements both between programs and between existing forms. The Agency further attempted to avoid duplication of its requirements and the burden by developing a unified platform under the proposed program. If similar information is found to be available from another Federal agency, every effort is made to utilize that information as is or in an appropriately modified form for this program.

5. If the collection of information affects small businesses or other small entities, describe the methods used to minimize the burden.

The information collection required for this initiative places little or nominal burden on small entities beyond that performed in normal business practice. The Agency is using industry-standardized data elements and documents, supplementing them with Government-wide forms that are familiar to many applicants.

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.

The information collected under these programs is the minimum necessary to conform to the requirements of the program regulations established by law. Information is collected when needed and cannot be collected less frequently and meets the requirements of the programs. Failure to collect proper information could result in improper determinations of eligibility or improper use of funds.

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

a. Requiring respondents to report information.

For most grant programs included in the proposed rule, there are no information collection requirements that require specific reporting on more than a quarterly basis. For the Water and Waste Disposal Facilities grant program, a Daily Inspection Report must be provided to the Agency in one-week intervals for the duration of the construction period. For the Value Added Producer grant program, grant recipients would only be required to submit reports more frequently than quarterly if they have demonstrated poor performance under past awards and/or have demonstrated poor financial management capabilities.

b. Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.

There is only one instance under the rule in which written responses in less than 30 days would be required. In the VAPG program, if an applicant requests an extension to the grant period and the Agency needs additional information to process the request, the recipient would be given less than 30 days to provide the additional information needed.

c. Requiring respondents to submit more than an original and two copies of any document.

There are no information requirements that require more than an original and two copies.

d. Requiring respondents to retain records for more than 3 years.

Grantees are not required to retain records for more than 3 years, except in cases where there are unresolved audit findings.

e. Not using statistical sampling.

There are no such requirements.

f. Requiring use of statistical data classification that has not been reviewed and approved by Office of Management and Budget (OMB).

There are no such requirements.

g. Requiring a pledge of confidentiality that is not supported by authority 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.

There are no such requirements.

h. Requiring respondents to submit proprietary trade secrets or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permissible by law.

There are no such requirements.

8. Comments on Agency's notice in the Federal Register and efforts to consult with persons outside the Agency to obtain their views on the availability of data, frequency of collection, the clarity of the instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

The 60-day notice for comment is embedded in the proposed rule.

As a consolidation of existing program regulations, the Agency has contacted outside persons in the development of the individual programs. Persons contacted, by program, were:

Community Facilities Grants

In March 2007, telephone interviews were conducted with the following:

Jaime Silva, Superintendent of Heber Elementary School, Imperial County, CA, computer equipment

Greta Elliott, Administrator, Family Healthcare Clinic, Canby, California, healthcare computer system upgrade

Ken Barnes, Chief of Police, Alturus, California, expansion of police station

These representatives indicated that they did not consider the paperwork associated with the Community Facilities program to be excessive due to the manner in which the processing office assisted them in working through the applications under this

authority. They felt the paperwork and reporting burden were not any greater than other Federal and State programs they dealt with. All representatives stated that the paperwork, the reporting burden, and the frequency of information collection were not problems for them.

Rural Cooperative Development Grants

The following people were emailed to survey various paper work burden requirements:

Jennifer Gutshall
Cooperative Development Institute, Inc.
413-665-1271
jgutshall@cdi.coop

Cheri Rath
Value-Added Agriculture Development Center
605-224-9402
cherirath@yahoo.com

Value-Added Producer Grants

In 2007, the following feedback was provided by applicants/recipients/grant writers regarding the paperwork burden.

Michigan Sugar Company
Corporate Office
2600 S Euclid Avenue
Bay City, MI 48706
(989) 686-0161

Michigan Turkey Producer Cooperative
Corporate Headquarters
1100 Hall Street, SW
Grand Rapids, MI 49503
(616) 245-2221

Steven Fletcher, Staff Engineer
University of Wyoming
Electric Motor Training and Testing Center Dept. 3295
1000 E University Ave.
Laramie, WY 82071
307-766-5149

Kathy Ferge

Kathryn Ferge Business Writing
35638 Rieth Rd., Echo, OR 97826
541/376-8251

Ted Farthing
Executive Director of Oregon Winegrowers Association
Oregon Wine Center
1200 NW Naito Parkway
Suite 400
Portland, OR 97209
503-228-8336
ted@oregonwine.org

Louise Calderwood
rcalderwod@aol.com

The Agency has not made any formal 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 record keeping, disclosure, reporting format (if any), and on data elements to be recorded, disclosed, or reported.

Distance Learning and Telemedicine Grants

In 2006, the Agency contacted the following program recipient to determine their views on the information collection:

Paul Noseworthy
Business Development Office
Borgess Health Alliance Inc.
Kalamazoo, MI
269-226-6690

This person offered favorable comments on the application process for the DLT program.

Rural Energy for America Program Grants

A stakeholder meeting was held on December 3, 2002, to collect input, including information on the collection of information, from the public on the implementation of the renewable energy system and energy efficiency improvement program. Written comments from the public were also encouraged and received. The Agency took into consideration all verbal and written comments in developing the program and during the final rule promulgation process. The information collection contained in this regulation

and the estimate of burden to collect it were discussed with potential applicants and recipients at that time. Those interviewed were consistent in their estimates of effort to fill out the associated paperwork and did not believe the effort was unnecessary.

The Agency reviewed the comments received addressing the collection of information and associated burden on this program, which was proposed on October 5, 2005 (69 FR 59650). These comments suggested streamlining the requirements, especially for smaller projects. The information collection contained in this regulation and the estimate of burden to collect it were discussed with the following potential applicants:

Mr. Larry Tjaden
Tjaden Farms, Inc.
(641) 228-4446

Ms. Lisa Daniels
Windustry
(612) 870-3462

Ms. Heather E. Rhoads-Weaver
AWEA Small Turbine Advocate
(206) 567-5466

These potential applicants and recipients were consistent in their estimates of effort to fill out the associated paperwork and did not believe the effort was unnecessary. Nevertheless, they suggested that the regulation would do well to incorporate, where possible, streamlining aspects to reduce the burden.

In responding to the public comments, including the views of those contacted, on the collection of information, the Agency has endeavored to incorporate reduced burden on potential applications. No substantial changes have been made to reporting requirements since the submission of the initial burden package in 2005. Streamlining of the applications process is on-going

Water and Waste Disposal Grants

The Agency contacted the following individuals on June 23, 2003, to obtain their views on the paperwork burden imposed by this regulation:

Jim Dickerson
Sewer District Coordinator, Camden County

Camdenton, Missouri.
573-346-5616

Kay Trout
Butler PWSD#104
Poplar Bluff, Missouri
573-967-3324

Ernie Thompson
Director of Planning and Infrastructure
St. Regis Mohawk Tribe
Hogansburg, New York
518-358-2272, ext. 236

Mr. Dickerson explained that Camden County had not been involved with the Agency until 2002. The application process was cumbersome although Agency staff was helpful in providing forms and walking him and his staff through the process. He had attempted to access the Water and Waste web site to get needed forms and fill them out online. However, they were difficult to access because they are on the Service Center eForms website (<http://forms.sc.egov.usda.gov/eforms/mainervlet>) instead of the Water Programs site. Also there is no link to take a user to the Service Center's site. He also stated that some forms tended to duplicate one another. He feels that the process of filling out forms without the aid of Agency staff is unfriendly.

Ms. Trout was responsible for the application process. She did not cite any specific problems with the paperwork involved. The staff of the local Agency office was helpful and made the process of submitting the applications and certifications easy.

Mr. Thompson stated that the assurances are cumbersome because all Federal agencies require the same assurances and certifications. It would be helpful to have a clearinghouse so that there is one submission. He felt that Agency paperwork and burden is no greater than that of other Federal and state agencies. Again, the staffs of the local and State Rural Development offices were helpful in guiding the applicant through the paperwork.

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

No payments or gifts were provided to respondents, including no remuneration of contractors or grantees.

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

No assurance of confidentiality was provided to respondents for the information required. When necessary, the Agency will process any and all requests for release of records and information in accordance with the Privacy Act of 1974. However, in some instances, the information collected under the provisions of this program is not considered to be of a confidential nature. For example, organizations, such as not-for-profit entities and public bodies from which information is collected, are ordinarily required to make their activities available for public scrutiny.

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

The information collected does not contain any questions of a sensitive nature such as sexual behavior, religious beliefs, or other matters commonly considered private.

12. Provide estimates of the hour burden of the collection of information.

Based on the current funding levels of the eight programs, the burden for collecting information under the unified grant program is estimated to average 2,045 respondents annually filing 24,650 responses. A total of 118,803 hours per year were estimated to be required to complete these responses; thus averaging about 4.8 hours per response. The costs per hour used were the same as in the existing burden packages for the grant programs being included in the unified grant program. Depending on the program, the average cost per hour ranged from \$28 to \$64 per hour.

Based on these data, the estimated cost of burden under the unified grant program is \$6,434,941. The following summarizes these estimates.

Number of respondents:	2,045
Total annual responses:	24,650
Number of hours per response:	4.8
Total hours:	118,803
Cost per hour:	\$54
Total annual cost:	\$6,434,941

The attached spreadsheets provide the specific estimates for each of the programs. The "rollup" spreadsheet is for the entire platform. Note that the worksheet for the Community Facilities program includes both the Economic Impact Initiatives and the Tribal College grant programs.

Also note that in estimating the number of respondents, it was assumed that each respondent applied for a grant under only one of the programs. In fact, a respondent, such as a local government, may seek grants under more than one program. Thus, the assumption made in estimating the number of respondents will overstate the number of actual respondents, but would not affect the estimation of annual responses or total burden hours.

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

There are no capital and start-up costs or operations and maintenance costs associated with this collection.

14. Provide estimates of annualized cost to the Federal Government.

The estimated wage of federal employees compiling the information is \$40.41 per hour. Administrative costs include the cost of promulgating the regulations, publication in the Federal Register, developing and printing the proposed forms, etc. The estimated cost to the Government is broken down as follows:

Cost to Federal Government by Program

Program	Cost
Community Facilities	\$161,191
Distance Learning and Telemedicine	\$116,662
Rural Community Development	\$107,693
Rural Energy for America	\$1,163,727
Value Added Producer	\$502,579
Water and Waste Disposal	\$3,078,353
Total	\$5,130,205

The estimated cost to the Government by activity is broken down as follows:

Allocation of Federal Government Costs

Activity	Total
Application receipt and review	\$3,412,779
Grant award activities	\$565,191
Post award activities	\$1,133,769
Miscellaneous	\$18,466
Total	\$5,130,205

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

Item 13 of OMB Form 83-I (burden hours)

This is a new collection, replacing eight current program regulations. When compared to the current OMB inventory for the eight regulations being replaced, the new consolidated grant platform is projected to have a minor effect of the burden associated with "grant only" grants under these eight programs. The following table presents the overall respondent burdens for the current grant programs. Note that Community Facilities included both the Economic Impact Initiative and the Tribal College grant programs.

Program	Burden Hours		
	Currently Approved - Full Program	Currently Approved - "Grant Only" Grants	DET Grant Rule
Community Facilities	5,759	4,881	10,367
Rural Energy for America	45,565	26,163	28,102
Water and Waste Disposal	131,469	6,035	7,843
Value-Added Producer	57,616	57,616	54,406
Rural Cooperative Development	8,200	8,200	8,275
Distance Learning/Telemedicine	12,057	11,402	9,810

Total	260,666	114,297	118,803
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The first column presents the currently approved burden hours for the full program. For Community Facilities, Rural Energy for America, Water and Waste Disposal, and Distance Learning and Telemedicine, the full programs include guaranteed loans, loans, and/or grant-loan combinations. The second column under Burden Hours is an estimate of the burden hours currently approved apportioned to "grant only" grants.

Comparing the second and third columns, in the Burden Hours table above, the change in estimated burden for "grant only" grants is projected to be approximately 4 percent higher (4,506 hours). This net increase is offset by a decrease of 4,744 hours in other approved burden packages.

While the DET unified grant platform does not change the burden requirements associated with applicants and grantees, the burden package for the unified platform includes burden associated with AD forms and RD forms that had been previously accounted for under other burden packages associated with these and other existing grant programs. Accounting for the burden associated with these AD and RD forms under the unified grant platform burden package results in an increase in burden for several of the existing programs, but there is also a decrease (estimated to be 4,744 hours) in those other approved burden packages.

For some of the grant programs included in this unified grant platform, the burden estimate includes certain burden items (e.g., recordkeeping, letter of intent) that had not been previously included in their approved burden packages.

The projected decrease in burden for the Value-Added Producer grant program is due to the provision for a simplified application, as provided for in the 2008 Farm Bill. The Agency expects about 40 percent of the applications would be simplified applications, with less effort required to prepare the simplified application.

Item 14 of OMB Form 83-I (cost to public)

This is a new collection, replacing eight current program regulations. When compared to the current OMB inventory for the current regulations being replaced, the new consolidated grant platform is projected to show an increase in overall costs when comparing "grant only" grants under the existing

programs versus under the new consolidated grant platform, from \$6,386,335 to \$6,434,941. This projected increase is due to the projected net increase in burden, as noted above.

Program	Respondents Costs		
	Currently Approved - Full Program	Currently Approved - "Grant Only" Grants	DET Grant Rule
Community Facilities	\$265,275	\$231,650	\$368,967
Rural Energy for America	\$2,742,323	\$1,583,045	\$1,681,198
Water and Waste Disposal	\$3,815,373	\$173,506	\$225,482
Value-Added Producer	\$3,667,997	\$3,654,055	\$3,486,247
Rural Cooperative Development	\$287,000	\$287,000	\$289,625
Distance Learning/Telemedicine	\$471,632	\$457,079	\$383,422
Total	\$11,249,600	\$6,386,335	\$6,434,941

16. For collection of information whose results will be published, outline plans for tabulation and publication.

The results of this collection of information will not be published.

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.

No approval is being sought.

18. Explain each exception to the certification statement in identified in item 19 of OMB 83-I.

There are no exceptions.

19. How is this information collection related to the Service Center Initiative (SCI)? Will the information collection be part of the one stop shopping concept?

The SCI calls for changes to improve services to the United States Department of Agriculture (USDA) customers. One aspect is providing one stop service for greater customer convenience in

accessing USDA programs. The applicant will be able to access the forms required, except for the SF 424 that is available at www.grants.gov.