

JUSTIFICATION STATEMENT  
American Recovery and Reinvestment Act (ARRA)  
Public Transportation on Indian Reservations Program (Tribal Transit)

1. CIRCUMSTANCES THAT MAKE THE COLLECTION NECESSARY.

Summary of Submission

This submission is a request for a 3-year extension of the previous (temporary) approval granted by OMB on December 10, 2009. The burden associated with the use of the SF 424 application form is 71 hours.

The total number of burden hours associated with this submission is 3,195.

The total number of responses for each information collection in this submission is 71.

Per the December 10, 2009, Notice of Action, FTA is providing the SF 424 application form and Notice of Award (which includes guidance for applying for the grant) as Information Collections. This information was included as Supplementary documents in the prior submission.

The Federal Transit Administration (FTA) provides financial assistance to federally recognized Indian tribes for any purpose eligible under the Nonurbanized Area Formula Program, 49 U.S.C. 5311 (Section 5311 program) based on the statutory provision of Section 5311(f).

To meet the requirements of the American Recovery and Reinvestment Act of 2009, FTA requested an emergency approval from the Office of Management and Budget (OMB) for the Tribal Transit Program. OMB approved FTA's emergency request for approval on March 17, 2009. This approval expires on September 30, 2009. FTA is now requesting to extend OMB's approval of this program through the regular OMB approval process.

The provisions of the American Recovery and Reinvestment Act of 2009, Title 49 U.S.C. Chapter 53, 49 C.F.R. Part 18, the Uniform Administrative Requirements for Grants and Cooperative Agreements to State and local governments (the Common Grant Rule), and prudent administration of federal grant funds dictate that grantor agencies review applications for federal assistance to assure eligibility and other criteria, as appropriate, and monitor approved projects to ensure timely expenditure of federal funds by grant recipients. Information collected under this program is structured to comply with federal mandates. The reporting requirements are submitted by recipients in two stages: the application stage and the project management stage.

Application Stage

FTA must first review proposals that are submitted by potential grantees and select meritorious projects for funding. As a part of this process, FTA must determine the applicant's eligibility to receive program funds. FTA must know: a) if the applicant is a federally recognized tribe; b) the purpose for which the requested funds will be used; and c)

the amount of federal funds requested or needed. Applicants must submit:

- a. Authorizing Resolution. This information is necessary to assure FTA that the individuals involved represent the organization seeking federal assistance and are empowered to enter into contracts on the organization's behalf.
- b. Opinion of Counsel. This information ensures that the applicant has the legal capacity to carry out the project and that there is no outstanding litigation that would encumber the federal government upon project approval.

In addition, each application must include:

- a. Project Budget. FTA must know the amount of federal financial assistance required, amount and sources of local funds available for the project, and specific elements and associated costs for each.
- b. Project Description. Federal funding is limited to certain categories of transit projects. The project description enables FTA to determine whether funding of the proposed project is allowable under federal transit law and the Common Grant Rule.
- c. Project Milestone Schedule. This document consists of milestone dates for major activities and an overall project completion date. Milestone dates are provided for such events as bid advertisement, bid award, and contract completion.
- d. List of Labor Unions. This document is used by the Department of Labor in making the certification of labor protective arrangements required for the Tribal Transit program.
- e. Environmental Exhibit. This documentation includes a proposed classification of each activity line item in accordance with FHWA/FTA Environmental Impact and Related Procedures, as required by 23 C.F.R. Parts 771.115 and 771.117. Most projects meet the criteria for a categorical exclusion. For each of these projects, proposed classifications and supporting documentation must be submitted. For those projects that do not meet the criteria for a categorical exclusion, an Environmental Assessment or Environmental Impact Statement may need to be submitted as required by the National Environmental Policy Act.

Annual Certifications and Assurances. Before FTA may award a federal grant, the applicant must provide FTA with all certifications and assurances required by federal laws and regulations for the applicant or project. A grant applicant must sign the appropriate certifications and assurances each year for all anticipated grant applications during that particular fiscal year.

#### Project Management Stage

The reporting requirements under this stage are necessary to ensure the proper and timely expenditure of federal funds within the scope of the approved project. The requirements comply with the Common Grant Rule and are contained in FTA Circular 5010.1D, and

may also be included in sections of the grant contract. These reporting requirements are:

- a. Milestone/Progress Reports (QPR). These narrative reports are required quarterly. They define problems, and milestone achievements are reported to FTA. The reports greatly reduce the need for on-site visits by staff.
- b. Financial Status Reports (FSRs). These quantitative reports are required quarterly. They provide a financial picture of project activity. The reports include information regarding obligations, payments, receipts, and other pertinent financial data required to ensure proper expenditure of federal funds.
- c. Reports of Significant Events. Unforeseen events that impact the schedule, cost, capacity, usefulness or purpose of the project should be reported to FTA immediately after detection and then reflected in the next quarterly progress or annual report.
- d. National Transit Database Reporting. The National Transit Database (NTD) is FTA's primary national database for statistics on the transit industry. Recipients and beneficiaries of FTA's Nonurbanized Area Formula Program (49 U.S.C. 5311) grants are required by 49 U.S.C. 5335(a) and (b) to submit data to the NTD as a condition of a grant award including recipients of tribal transit funds.

2. HOW, BY WHOM, AND FOR WHAT PURPOSE THE INFORMATION IS TO BE USED AND CONSEQUENCES IF THE INFORMATION IS NOT COLLECTED.

The reports for ARRA Tribal funds will be submitted quarterly through FTA's Transportation Electronic Management and Award (TEAM) system. The information submitted ensures FTA's compliance with applicable federal laws and the Common Grant Rule. Without these reports, significant resources and manpower would be necessary to conduct on-site inspections. Finally, the evaluation report permits an assessment of program effectiveness.

3. CONSIDERATION OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN AND ANY TECHNICAL OR LEGAL OBSTACLES TO REDUCING BURDEN.

FTA's electronic grant making and management system is a paperless, electronic grant application, review, approval, acceptance and management process. All Tribal Transit grants and periodic reports are submitted electronically. Grantees also use the electronic system for signature of annual certifications and assurances.

4. DESCRIBE EFFORTS TO IDENTIFY DUPLICATION. SHOW SPECIFICALLY WHY ANY SIMILAR INFORMATION ALREADY AVAILABLE CANNOT BE USED OR MODIFIED FOR USE FOR THE PURPOSES DESCRIBED IN ITEM 2.

The reports are project specific and the information is not available elsewhere. There is no duplication.

5. METHODS USED TO MINIMIZE BURDEN ON SMALL BUSINESSES OR OTHER SMALL ENTITIES.

The information collected does not involve small business.

6. CONSEQUENCES TO FEDERAL PROGRAMS OR POLICY ACTIVITIES IF INFORMATION WAS NOT COLLECTED OR COLLECTED LESS FREQUENTLY, AS WELL AS ANY TECHNICAL OR LEGAL OBSTACLES TO REDUCING THE BURDEN.

If these and other reports were required less frequently, additional site visits by agency staff would be required to ensure compliance with program objectives and the agency would not be able to effectively evaluate the program in accordance with the Government and Performance and Results Act or the objectives of the ARRA.

7. SPECIAL CIRCUMSTANCES THAT REQUIRE THE COLLECTION TO BE CONDUCTED IN A MANNER INCONSISTENT WITH 5 CFR 1320.6.

The information collected is consistent with the guidelines in 5 CFR 1320.6.

8. EFFORTS TO CONSULT WITH PERSONS OUTSIDE THE AGENCY TO OBTAIN THEIR VIEWS.

FTA has worked with grantees on reporting requirements in shaping its reporting system and offers an opportunity for all grantees to comment on its methodologies.

A 60-day Federal Register notice was published on May 13, 2009 (pages 22629 and 22630), soliciting comments prior to submission to OMB. No comments were received from that notice. The 30-day Federal Register notice was published on August 11, 2009 (page 40281).

9. EXPLAIN ANY DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS, OTHER THAN REMUNERATION OF CONTRACTORS OR GRANTEES.

No payment is made to respondents.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED RESPONDENTS.

There is no assurance of confidentiality regarding these submissions.

11. ADDITIONAL JUSTIFICATION FOR QUESTIONS OF A SENSITIVE NATURE.

None of the information is of a sensitive nature.

**12. ESTIMATE OF THE HOUR BURDEN OF THE COLLECTION AND ANNUALIZED COST TO RESPONDENTS.**

<u>Requirements</u>	<u># of Annual Submissions</u>	<u>Burden hours per Submission</u>	<u>Total Burden hours</u>
<b><u>Application Stage</u></b> <i>(includes all of the following)</i>	71	39	2769
Project Proposals			
Authorizing/Resolution			
Opinion of Counsel			
Project Description			
Project Budget			
Project Milestones			
List of Labor Unions			
Environmental Exhibit			
Completion of SF 424	71	1	71
<b>Total</b>			<b>2840</b>
<b><u>Project Management Stage</u></b> <i>(includes all of the following)</i>	71	5	355
Progress Report			
Financial Status Report			
National Transit Database			
<b>Total</b>			<b>355</b>
<b>Grand Total</b>			<b>3195</b>

All burden hour estimates are based on a review of all the requirements associated with the Tribal Transit program and analysis of other FTA programs. The 71 burden hours (one hour per respondent) associated with the use of the SF 424 are shown above.

The annual respondents used to calculate total annual burden on the OMB Form 83-I include annual grantees who have received funds under the Tribal Transit program.

**Estimate of the cost to respondents:**

The number and complexity of applications submitted each year may vary slightly; however, the applications are simple and straightforward. The figures below are representative of a straightforward application meeting all of the criteria for federal funding.

FTA estimates that it takes approximately 40 person-hours to develop and submit an application to FTA for review. Since FTA expects to receive approximately 71 applications per year, the total hours required are estimated to be (39 hrs. x 71 applications =2769 hrs.). Although various personnel are involved in the development of

an application, the average salary is estimated to be \$33 per hour. Therefore, the cost to the respondents is computed at \$91,377 (2769 hrs. x \$33 = \$93,720).

Project Management Stage:

Staff time devoted to the preparation of Project Management reports takes approximately 5 hours at an average salary of \$30 per hour or \$150 per report. There are expected to be 71 reports annually; therefore, the cost is estimated to be (\$150 per report x 71 reports = \$10,650).

Therefore total cost to respondents is estimated to be \$104,370.

13. ESTIMATE OF TOTAL ANNUAL COST BURDEN TO RESPONDENTS OR RECORDKEEPERS RESULTING FROM THE COLLECTION OF INFORMATION (NOT INCLUDING THE COST OF ANY HOUR BURDEN SHOWN IN ITEMS 12 AND 14).

There are no additional costs beyond those shown in items 12 and 14.

14. ESTIMATE OF THE ANNUALIZED COST TO THE FEDERAL GOVERNMENT.

The cost is calculated as follows:

Application Stage:

Experience indicates that it takes approximately 6 person-hours to review each application received by FTA. It should be noted that this figure assumes that the application is: 1) complete, 2) fundable and 3) non-controversial. More complex projects or programs of projects would consume additional time.

Although reviewed by several different staffers, from secretaries to the Regional Administrator, we estimate that the average grade level of the reviewers is GS-12/step 5, paid \$40 per hour. Since we expect to receive and review approximately 71 applications per year, the cost to the federal government is \$28,400 (10 hours x 71 applications = 710 hours x \$40 = \$28,400).

Project Management Stage:

Individuals managing projects throughout FTA vary from GS-9 to GS-14; however, in looking at the averages it can take a GS-13 (average salary, \$42 per hour) about 2 hour per report to review it. There are approximately 71 projects requiring reports quarterly. The cost to the federal government is \$5,964 per quarter (2 hr. x 71 submissions = 142 x \$40 = \$5,964) for an annual total cost of \$23,856.

The total cost to the Federal government is \$52,256.

15. EXPLAIN REASONS FOR CHANGES IN BURDEN, INCLUDING THE NEED FOR ANY INCREASES.

The burden hours have decreased by the 71 hours associated with the use of the SF 424 application form.

16. PLANS FOR TABULATION AND PUBLICATION FOR COLLECTIONS OF INFORMATION WHOSE RESULTS WILL BE PUBLISHED.

FTA plans to publish the results of the information collected for statistical use and use by grantees.

17. IF SEEKING APPROVAL NOT TO DISPLAY THE EXPIRATION DATE FOR OMB APPROVAL, EXPLAIN THE REASONS.

There is no reason not to display the expiration date of OMB approval.

18. EXPLAIN ANY EXCEPTIONS TO THE CERTIFICATION STATEMENT IDENTIFIED IN ITEM 19 OF OMB FORM 83-I.

No exceptions are stated.