

**2010 - SUPPORTING STATEMENT**  
**0572-0144**  
**7 CFR 1775, Technical Assistance Programs**  
**(Recovery Act Funding)**

A. Justification

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

On December 10, 2009, the Rural Utilities Service published a Notice of Funds Availability (NOFA) in the Federal Register (74 FR 65509) under the American Recovery and Reinvestment Act of 2009 (ARRA) for technical assistance and training program and solicitation of applications.

The American Recovery and Reinvestment Act of 2009 (ARRA), Title I of Division A, Public Law 111-5 (Feb. 17, 2009) provides for the availability of \$5 million in assistance to the Technical Assistance and Training (TAT) competitive grant program as authorized by Section 306 of the Consolidated Farm and Rural Development Act (CONACT). 7 U.S.C. 1926, authorizes Rural Utilities Service (RUS) to administer the TAT program to make loans and grants to public agencies, American Indian tribes, and nonprofit corporations. The grants fund the development of drinking water, wastewater, and solid waste disposal facilities in rural areas with populations of up to 10,000 residents. Under the CONACT, 7 U.S.C. 1926(a), as amended, Section 306(a)(14)(A) authorizes TAT to be made for 100 percent of the cost of assistance. This grant program is administered through 7 CFR 1775.

2. Indicate how, by whom, and for what purpose the information is to be used. For a new collection, indicate the actual use the Agency has made of the information received from the current collection.

RECORDKEEPING REQUIREMENTS

The American Recovery and Reinvestment Act of 2009 requires each recipient that received recovery funds from RUS to submit a report to the Agency no later than 10 days after the end of each calendar quarter. The purpose of the report is to provide the Agency with the following information:

- (1) the total amount of recovery funds received from that agency;
- (2) the amount of recovery funds received that were expended or obligated to projects or activities;
- (3) a detailed list of all projects or activities for which recovery funds were expended or obligated, including—(A) the name of the project or activity; (B) a description of the project or activity; (C) an evaluation of the completion status of the project or activity; (D) an estimate of the number of jobs created and the number of jobs retained by the project or activity; and (E) for infrastructure investments made by State and local governments, the purpose, total cost, and rationale of the agency for funding the

infrastructure investment with funds made available under this Act, and name of the person to contact at the agency if there are concerns with the infrastructure investment; and,

(4) Detailed information on any subcontracts or subgrants awarded by the recipient to include the data elements required to comply with the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109–282), allowing aggregate reporting on awards below \$25,000 or to individuals, as prescribed by the Director of the Office of Management and Budget.

### **Burden Hour Reports**

Nonprofit organizations receive TAT grants to help small rural communities or areas identify and solve problems relating to community drinking water, wastewater, or solid waste disposal systems. The grant recipients provide technical assistance to public bodies and private nonprofit corporations operating the systems in rural areas. The technical assistance is intended to improve the management and operation of the systems and reduce or eliminate pollution of water resources.

The TAT grant recipients can give technical assistance to nonprofit corporations and public bodies that are eligible for RUS assistance under the Agency’s Water and Waste Disposal Program. Public bodies include counties, cities, townships, incorporated towns and villages, boroughs, authorities, districts, other political subdivisions of a State and Native American tribes.

Nonprofit organizations applying for TAT grants must submit a pre-application, which includes an application form, narrative proposal, various other forms, certifications, and supplemental information. The Rural Development State Offices and the RUS National Office staff will use the information collected to determine applicant eligibility, project feasibility, and the applicant’s ability to meet the grant and regulatory requirements. RUS will review the information, evaluate it, and, if the applicant and project are eligible for further competition, invite the applicant to submit a formal application. The applicant will submit the following information:

### **Information Collected Under This Package:**

#### **Narrative.**

Applicants will provide a narrative of experience in providing services similar to those proposed. A brief description of successfully completed projects including the need that was identified and objectives accomplished.

#### **Budget Justification.**

The budget justification demonstrates how the funds will be spent and provides details for proposed expenditures, calculations of costs, and explanations of unusual lines in the budget. It discusses how the budget supports the proposed project activities and explains how each budget item is essential to achieving project objectives.

RUS uses this information to evaluate the cost effectiveness of the project and the adequacy of funding to carry out the activities of the project. The information will also be used to evaluate a grant recipient's request for payments.

Legal Authority and Responsibility.

The applicant must submit certified copies of organization documents and a certified list of directors and officers as evidence of the applicant's legal existence and authority for the proposed project. The organizational documents can be charters, bylaws, or articles of incorporation. RUS uses the information to determine if the applicant has the proper authority to enter into a binding agreement to use grant funds.

Evidence of Tax Exempt Status.

Private nonprofit organizations eligible for TAT grants must have 501(c)(3) or 501(c)(4) tax-exempt status, designated by the Internal Revenue Service. An applicant must submit evidence of its tax-exempt status. RUS uses this information to ensure that the applicant meets the eligibility criteria mandated by law.

Scope of Work.

RUS uses the information in the scope of work to measure the performance of the grant recipient and the success of the project. The scope of work describes what will happen in a project, when, and what staff will be responsible. It provides details on the activities or tasks to be accomplished, objectives, timetables for task completion, and anticipated results.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions.”

USDA regulations published at 7 CFR Part 3017 implement the government-wide debarment and suspension system for USDA's nonprocurement transactions. Applicants for TAT grants are required to provide certification under these regulations. Form AD-1047 may also be used to obtain the required certification.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Transaction.

Form AD-1048 will be signed by applicant's suppliers, auditors, contractors, etc., and retained by applicant in their files.

Certification Regarding Drug-Free Workplace Requirements (Grants) Alternative I - for Grantees Other Than Individuals.

USDA regulations published at 7 CFR Part 3017 implement the Drug-Free Workplace Act of 1988, which requires that grant recipients agree that they will maintain a drug-free workplace. Applicants are required to provide certification under these regulations. Form AD-1049 may also be used to obtain the required certification.

### Grant Agreement.

The Grant Agreement is the official grant instrument between RUS and the TAT recipient. It outlines the terms and conditions of the grants, including each party's obligations and remedial authorities available for nonperformance.

### Project Performance Report.

In addition to reports required by ARRA, TAT grant recipients must submit a narrative progress report quarterly. The project performance report summarizes the project's progress for the quarter and includes information needed to support expenditures claimed for the quarter.

### Audit.

Grant recipients must comply with the audit requirements of OMB Circular A-133, "Audits of State, Local Governments, and Non-Profit Organizations." Generally, they must submit an audit report after project completion. However, the requirements for submitting an audit report under OMB Circular A-133 are based on the total amount of Federal financial assistance expended during a grant recipient's fiscal year from all Federal Sources. Grant recipients that expend \$500,000 or more in a year in Federal awards must have a single or program-specific audit conducted for that year. Those that expend less than \$500,000 in Federal awards may be exempt from audit requirements for that year. RUS will review the information and determine if a grant recipient must submit an audit in accordance with the requirements of the Water and Waste Disposal program and OMB Circular A-133.

### Financial Statements

Grant recipients that expend less than \$500,000 in a year in Federal awards may be able to submit their financial statement in lieu of an audit report after project completion. RUS will review the information and determine if a grant recipient must submit an audit in accordance with the requirements of the Water and Waste Disposal program and OMB Circular A-133.

### Statement concerning assistance under the National Forest Service-Dependent Rural Communities Economic Diversification Act.

Applicants must contact the Forest Service and RUS to find out if any geographical or local areas have received grants for technical assistance to a forest-dependent rural community in a five-year period.

TAT grant funds cannot be used to duplicate technical assistance provided to a forest-dependent rural community under the National Forest-Dependent Rural Communities Economic Diversification Act of 1990. Applicants must submit documentation that such duplicate assistance has not been given.

Indirect Cost Rate Agreement.

The applicant's indirect cost rate agreement with a Federal Agency must be submitted if their proposed budget includes indirect costs.

Statement of Compliance.

To assure compliance with Title VI of the Civil Rights Act of 1964, the applicant must provide a narrative of how they plan to notify eligible entities of the availability of the service being provided.

SF-LLL, Disclosure of Lobbying Actives”.

For grants over \$100,000, applicant must certify that no Federal appropriated funds will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant or Federal loan, and the extension, continuation, renewal amendment, or modification of any Federal contract, grant or loan.

Latest Financial Information.

The applicant's latest financial statement is used to help determine if the applicant is financially viable to complete their proposed scope of work.

Evidence of Financial Management System.

Applicant must provide evidence that a financial management system is in place or proposed. RUS uses the information to determine if the applicant will be able to adequately account for federal funds expended.

**Information Collected Under Other Packages:**

SF- 424, “Application for Federal Assistance.” (cleared under 4040-0004)

Applicants use this form as a required cover sheet for applications submitted for TAT grants. The application is an official form required for all Federal grants and requests basic information about the applicant and the proposed project. This form is submitted as part of the pre-application and if the project is selected, as part of the formal application.

SF-424A, “Budget Information--Non-Construction Programs.” (cleared under 4040-0006)

Applicants project costs and expenses for the grant project. The form also provides information on matching funds. This form is submitted as part of the pre-application and if the project is selected, as part of the formal application.

SF-424B, “Assurances--Non-construction Programs.”(cleared under 4040-0007)

Applicants read and sign this form to indicate the organization's intent to comply with the laws, regulations, and policies to which a grant is subject. This form is submitted as part of the pre-application and if the project is selected, as part of the formal application.

RD 400-1, “Equal Opportunity Agreement” and RD 400-4, “Assurance Agreement.”(cleared under 0575-0018)

Applicants read and sign these forms to assure RUS that they will comply with Title VI of the Civil Rights Act of 1964. Applicants read and sign this form to agree that they will comply with the Equal Opportunity Clause under Executive Order 11246 of September 24, 1965.

SF 270, “Request for Advance or Reimbursement.” (cleared under 0348-0004)

Grant recipients will submit SF 270 for disbursement of grant funds. RUS uses it to approve the disbursement. The use of this form complies with OMB Circular A-110.

SF 425, “Federal Finance Report.” (cleared under 0348-0061)

Most federal grants require recipients to periodically submit reports on their grant’s financial progress. The Office of Management and Budget have consolidated the two most common financial reports, the Financial Status Report (FSR or SF–269/SF–269A) and the Federal Cash Transaction Report (FCTR or SF– 272/SF–272A), into a single form. The purpose of the FFR is to give recipients of grants and cooperative agreements a standard format for reporting the financial status of their awards.

The project performance report meets the requirements of:

- (1) 7 CFR Part 3016, the USDA Implementation of OMB Circular No. A-102, “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments;” and
- (2) 7 CFR Part 3019, the USDA implementation of OMB Circular A-110, “Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations.”
3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection.

RUS is committed to meeting the requirements of the E-Government Act, which requires Government agencies, in general, to provide the public the option of submitting information or transacting business electronically to the maximum extent possible. Grant applications for this program can be submitted on paper or electronically through Grants.gov.

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

RUS collects information from applicants only who are applying for or who are receiving TAT grants. There will be no duplication in the collection of information required. If applicants are applying for other programs where similar information is required, the Agency would make every effort to use that information which is the same.

5. If the collection of information impacts small businesses or other small entities (item 5 of OMB Form 83-1), describe any methods used to minimize burden.

The information to be collected is the minimum that RUS needs to approve the grants and monitor performance. Small entities may be affected by the reporting burden, but only minimum information necessary will be required to carry out the authorized programs. The information collected under these programs is the minimum necessary to conform to the requirements of the program regulations established by law. Much of the information is collected when applicants file for grants or when the grants are closed. Information is collected when needed or required by departmental regulations and OMB circulars.

6. Describe the consequences to Federal program or policy activities if the collection is not conducted or conducted less frequently, as well as any technical or legal obstacles to reducing burden.

Information cannot be collected less frequently and meet the requirements of the programs. Failure to collect proper information could result in improper determinations of eligibility, improper use of funds or hindrances in making grants authorized by the TAT Programs.

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

- a. Requiring respondents to report information more than quarterly. There are no information requirements for reporting more than quarterly. However, the SF 270, "Request for Advance or Reimbursement," is submitted by some borrowers as much as 12 times a year in order for them to receive reimbursement in order to pay monthly business expenses, the Agency however, does not require this.
- b. Requiring written responses in less than 30 days. There are no information requirements for written responses in less than 30 days. However, grant recipients must notify RUS immediately of developments that have a significant impact on the grant-supported activities or that might materially impair the ability to meet the objectives of the grant.
- c. Requiring more than an original and two copies. There are no such requirements.

- d. Requiring respondents to retain records for more than 3 years. There are no such requirements unless any litigation, claim, or audit is started before the expiration of the 3-year period and has not been resolved and final action taken.
- e. That is not designed to produce valid and reliable results that can be generalized to the universe of study. There are no such requirements.
- f. Requiring use of statistical sampling which has not been reviewed and approved by OMB. There are no such requirements.
- g. Requiring a pledge of confidentiality. There are no such requirements.
- h. Requiring submission of proprietary trade secrets. There are no such requirements.

8. If applicable, identify the date and page number of publication in the Federal Register of the agency's notice soliciting comments on the information collection. Summarize public comments received and describe actions taken by the agency in response to these comments. Describe efforts to consult with persons outside the Agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, reporting format (if any), and on data elements to be recorded, disclosed, or reported.

On December 10, 2009, the Rural Utilities Service published a Notice of Funds Availability (NOFA) in the Federal Register (74 FR 65509) under the American Recovery and Reinvestment Act of 2009 (ARRA) for technical assistance and training program and solicitation of applications. A sixty (60) day comment notice was embedded in the NOFA and no comments were received.

In shaping the NOFA, the Agency relied on input from the State Offices that have experience, outcomes data and direct feedback from borrowers and grant recipients on similar grant programs that are currently in place. RUS maintains close contact with borrowers through general field representatives and a headquarters staff. The Agency also conducts seminars for its borrowers and associated organizations and suggestions are always considered by the Agency.

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

RUS has not made any such decisions or payments.

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 is provided. Under the Freedom of Information Act, the public can request most data collected from respondents. The information collected under the provisions of these programs is not considered to be confidential.

11. Provide additional justification for any question 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 that would be considered private.

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

See the attached spreadsheet. The collection is summarized as follows:

Regulation	Number of Respondents	Total Annual Responses	Total Annual Burden Hours	Wage Class	Total Costs
7 CFR 1775	15	145	472	\$30.00	\$14,160

(Total annual burden hours include the total of 1 hour for record keeping.)

RUS estimates a cost of \$14,160 for respondents to comply with this regulation. The cost is based on 15 organizations filing a pre-application and 1 of them receiving a grant for a total of 472 annual burden hours which includes 1 hour of recordkeeping burden. RUS used a labor rate of \$30.00 per hour based on information from similar programs.

Record Keeping Burden:

No. of Record Keepers	Annual Hours Per Record Keeper	Total Record Keeping Hours	Cost Per Hour	Total Record Keeping Costs
1	1	1	\$25.00	\$25.00

1 Record Keepers @ 1 hr. each = 1 total hours x \$25.00 Cost per Record Keeper = \$25.00 Total Record Keeping Costs

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

(a) Total capital and start-up cost component (annualized over its expected useful life); and

There are no capital and start-up cost components involved with this collection.

(b) Total operation, maintenance and purchase of services component.

There are no costs associated with this category.

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

The cost to the Federal Government is estimated as follows:

Pre-application phase analysis – 10 hours X 15 pre-applications X \$40.66	= \$ 6,099
Application phase analysis – 10 hours X 1 applications X \$40.66	= \$ 406
First Administrative phase – 5 hours X 1 applications X \$40.66	= \$ 203
Second Administrative phase – 3 hours X 1 applications X \$40.66	= \$ 122
Servicing per quarter – 4 quarters X 4 hours X 1 borrowers X \$40.66	= \$ 650
End of grant period – 5 hours X 1 borrowers X \$40.66	= \$ 203
Closeout – 2 hours X 1 borrowers X \$40.66	= \$ <u>81</u>

Total estimated cost to the Federal Government is: \$ 7,764

The salary of \$40.66 per hour is based on a loan analyst (GS 12, step 5) and includes a 25 percent for fringe benefits.

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

The decrease in respondents from 30 in the previous collection to 15 respondents in this collection is due to an over estimation in the number of applications the Agency was expecting to receive. The decrease in the number of recipients from 3 in the previous collection to 1 in this collection was an estimate by the Agency based on previous experience.

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

RUS has no plans to publish the information collected under the provisions of these programs.

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.

There are no forms cleared under this collection.

18. Explain each exception to the certification statement identified in item 19 on OMB 83-1.

There are no exceptions requested.

B. Collection of Information Employing Statistical Methods.

This collection does not employ statistical methods.