

Attachment 1

Reporting Requirements--Part 240 Cash In Lieu of Donated Foods

All reporting requirements under this Part are contained under ICR #0584-0078 and #0584-0002.

Recordkeeping Requirements--Part 240 Cash In Lieu of Donated Foods

240.4, Cash in Lieu of Donated Foods--Nonresidential Child and Adult Care Institutions. State agencies and Child and Adult Care Institutions must keep records of the amount of cash received in lieu of commodities. We estimate that 56 State agencies will maintain 12 responses per year, for a total of 672 records. 500 private institutions will each keep 363.978 records, for a total of 181,989 records. Thus, at 0.25 hours per response, the total annual recordkeeping burden for this requirement is 45,665 hours (168 hours + 45,497 hours).

240.5, Cash in Lieu of Donated Foods--Commodity Schools. State agencies and the school food authorities of commodity schools must keep records of the amount of cash received in lieu of commodities. 3 agencies receive cash in lieu of commodities. Each agency will submit 12 monthly reports per year. Each report is estimated to take 0.25 hours to complete, for a total recordkeeping burden of 9 hours.

240.6, Funds for States that Have Phased Out Food Distribution Facilities. State agencies that have phased out receipt of commodities and receive cash instead, along with the school food authorities in those States, keep records of the amount of cash received. The total recordkeeping burden for this section is 1,311 hours, which equals approximately 93.643 reports by 56 agencies, with each taking 0.25 hours to maintain.

Reporting Requirements--Part 247 Commodity Supplemental Food Program (CSFP)

247.4(a)(1)&(b), Federal/State Agreements. State distributing agencies enter into an agreement with USDA to administer the program. The agreement is effective for 1 year. State agencies are also required by regulation to submit a State plan to FNS on an annual basis; however, by policy memorandum, a complete plan is required once every 3 years, except for the annual submission of parts governing goals and objectives for the coming year, public input in the development of the State plan and caseload requests. The State plan also provides information on participating local agencies, household eligibility criteria, administrative funds accounting, nutrition education plans, and caseload redistributions. Guidance on State plan requirements is provided periodically. The burden for this section is contained in OMB #0584-0067.

247.4(a)(2)&(b)&(c), State/Local Agreements. State agencies enter into agreements with local

agencies approved to participate in the program. These agreements are ongoing. We estimate that these agreements take 2 hours to complete. The duration of agreements between State and local agencies are determined by the State agency, and the duration of agreements between local agencies and other agencies is determined by the local agency. We estimate that an average of 50 agreements between State and local agencies, and between local agencies and other agencies, are completed each year. The total burden for completion of State and local agency agreements is therefore 100 hours.

247.6(a)&(b)&(c), State Plan. The State agency must submit a State Plan to initiate or continue program operations. The State Plan is permanent, with amendments submitted as needed. We estimate that, on average, one State agency per year submits a State Plan, which requires 50 hours to develop.

247.6(d), State Plan Amendments. State Plans are permanent, with amendments submitted as needed. Since participating State agencies must submit amendments to request additional caseload for the following year, and to make any other changes in the Plan, we estimate that approximately 35 State agencies per year submit an amendment to the Plan. We estimate each amendment submission takes about 5 hours. Thus, the total burden for the submission of amendments to the State Plan 175 hours.

247.7(a), Applications of Local Agencies. Local agencies submit a written application to participate in the program. We estimate that 30 local agencies will submit a written application to participate in the program each year and that the application will take 2 hours to complete. Therefore, the total reporting burden is 60 hours.

247.8, Applications & 247.16(a), Certifications/Recertifications. State or local agencies record data for each applicant, including the basis for deciding eligibility of the applicant. We estimate that, on average, 457,000 elderly individuals participate in the program, each requiring 15 minutes (0.25 hours) to be certified/recertified for a 6-month period. Thus, the burden hours for the twice-annual recertification of elderly individuals are $457,000 \times 2 = 914,000 \times .25 \text{ hrs.} = 228,500 \text{ hours}$.

We also estimate that, on average, 47,586 women, infants, and children participate in the program, and each individual requires 0.5 hours to be recertified for a 6 month period. Thus, the burden hours for the twice-annual recertification of w-i-c participants are $47,586 \times 2 = 95,172 \times .5 \text{ hrs.} = 47,586 \text{ hours}$.

The total certification/recertification burden for all participants (elderly, women, infants, and children) is therefore $228,500 \text{ hrs.} + 47,586 \text{ hrs.} = 276,086 \text{ hours}$.

247.19(a), Agreement to Prevent Dual Participation. Local agencies sign written agreements to prevent participation of individuals at more than one CSFP distribution site, or in both CSFP and the Special Supplemental Food Program for Women, Infants, and Children (WIC). We estimate that 60 local agencies will sign written agreements each year. Each agreement will take about 1 hour to complete, for a total burden of 60 hours.

247.23 (b), State Provision of Administrative Funds. The amount of funds that State agencies may retain is determined by a specific formula and may not exceed \$30,000. States may request, with justification, additional funds through FNS. We estimate that 20 agencies will submit requests, with only 5 agencies making requests each year. Since each request takes 150 hours to complete, the total estimated burden is 750 hours.

247.26, Closeout Procedures. FNS recovers the unused funds at the end of the fiscal year when a State agency does not use all of the funds allocated to it. If, in the following fiscal year, OMB reappropriates the recovered funds, FNS reallocates them to all State agencies. FNS reallocates to each State agency a share of the total reappropriated funds that is proportionate to its share of the total assigned caseload for the year in which the reallocation takes place. State agencies submit preliminary and final closeout reports for each fiscal year. 20 State agencies will submit reports, spending about 8 hours on each report, for a total reporting burden of 160 hours.

247.29(a)&(b)(2)(ii), Receipt, Disposal, and Inventory of Donated Foods. State agencies submit Form FNS-153 on a monthly basis, detailing the receipt, disposal, and inventory of donated foods. This information is not, at the present time, available electronically through PCIMS, as similar information is now obtained for other Food Distribution Programs. The FNS-153 also records participation for each category of persons receiving benefits. The data from FNS-153 plays an integral role in determining prorata shares of caseload ceiling and administrative funding levels for States, as well as serving as a basis for determining current food inventory levels and purchasing needs. It is also used for making budgetary projections. Approximately 20 State agencies will submit a monthly report, totaling 12 reports for each agency per year. Each report will take about 6.3 hours to complete. Thus, the total reporting burden is about 1,512 hours.

247.29(a)&(b)(3), Civil Rights Participation Data. Local agencies submit racial/ethnic participation data on an annual basis, utilizing Form FNS-191, Racial/Ethnic Group Participation. This information collection is contained in OMB docket # 0584-0025.

247.31(c), Audit Responses. State agencies submit to FNS responses to audits, including corrective action plans. Annually, approximately 20 agencies will submit 4 responses each. Each response will take about 40 hours to complete. The burden for this requirement will total about 3,200 hours.

247.34, Management Reviews. State agencies are required to conduct on-site reviews of local agencies once every two years. On average, about 35 State agencies conduct on-site reviews of local agencies at least two to three times per year. In total, we estimate 72 reviews are conducted per year. We estimate each management review takes approximately 8 hours to complete. Thus, the total burden for management evaluations is $72 \times 8\text{hrs.} = 576$ hours.

Recordkeeping Requirements--Part 247 Commodity Supplemental Food Program (CSFP)

247.22, Record of Use of Funds. State agencies maintain records to account for expenditures of program funds. 20 agencies will provide a monthly report, for a total of 240 reports annually. Each report will take about 3 minutes to complete. Thus, the total recordkeeping burden is 12 hours.

247.28(b), Records of Receipt, Disposal, and Inventory of Donated Foods. State and local agencies maintain records attesting to the receipt, disposal, and inventory of donated foods, including determination of liability for improper use of, or loss of donated foods, and information regarding applicant eligibility. The total burden for this requirement is 36 hours. 56 agencies will each submit about 12.8 responses each year, to total 720 responses. Each response is expected to take 3 minutes (0.05 hrs.) each to complete

247.29(a), Records of Fair Hearing Proceedings. State agencies keep records of fair hearing proceedings. Approximately 20 agencies will each hold about 36 fair hearing proceedings each year, for an annual total of 720 responses each year. The recordkeeping burden is estimated at 3 minutes (0.05 hrs.) for each proceeding. The total recordkeeping burden for fair hearing proceedings is thus 36 hours.

247.30(d)(3), Records of Participant Claims. The State or local agency must pursue a claim against a participant to recover the value of benefits improperly received or used if it determines that the participant, or the parent or caretaker of the participant, received or used the commodities through fraud. The State agency must maintain all records regarding claims actions taken against participants. We estimate that 56 State and local agencies will initiate 8 to 9 claims per year, for a total of 500 claims actions against participants each year. The recordkeeping burden is estimated at 5 minutes (0.08 hrs.) for each claims action. The total recordkeeping burden for claims is thus 40 hours.

Reporting Requirements--Part 250 General Food Distribution Program Regulations

250.10(b) & 250.12(a), USDA Agreements with Private Agencies and Distributing Agencies. When State distributing agencies are not permitted by law to make distributions to private agencies, private agencies may enter into agreements with the Department. This burden is

covered in OMB #0584-0067.

250.12(a) & 250.42(c), Distributing Agency Agreements/Agreements for Cash in lieu of Commodities. When State distributing agencies elect to receive cash instead of commodities, they must enter into agreements with the Department. This burden is covered in OMB #0584-0067.

250.12(b), Distributing Agency/Recipient Agency Agreements. State distributing agencies enter into agreements with those entities to which USDA donated foods are delivered (e.g., subdistributing agencies, recipient agencies, warehouses, carriers, etc.). These agreements outline USDA and State obligations and responsibilities in delivery, storage, and distribution of donated foods, including the responsibility for loss, damage or improper use of donated foods. Agreements with recipient agencies are permanent, with amendments made as necessary. Agreements with subdistributing agencies, carriers, and other entities are effective for 1 year and may be extended for 2 additional 1-year periods. We estimate that 11,211 agencies have, or will have, agreements with States and that each year 25% of those agencies will need to sign new agreements or extend current agreements. Each agreement will take about 0.20 hours to complete. Thus, we expect these agencies to provide 2,803 annual responses, creating a total reporting burden of 561 hours.

250.12(e) & 250.14(d), Storage Facilities. Distributing agencies, subdistributing agencies, and recipient agencies sign contracts with storage facilities for the storage of donated foods. Storage contracts contain provisions to ensure that storage facilities properly identify, store and account for commodities. These contracts are effective for no longer than 5 years. We estimate that while there are 250 respondents, only 63 contracts are signed annually, each with a 0.33 hour burden. Thus, the total reporting burden for this requirement is 21 hours.

250.13(a)(6), Destination Data for Delivery of Donated Foods. Distributing agencies arrange for delivery of donated foods to storage facilities. State distributing agencies complete Form FNS-7, Destination Data for Delivery of Donated Foods, for submission to the Kansas City Commodity Office. The form is used in all commodity programs and contains information on the destination point for commodity shipments, including the optimal day and time for deliveries, and the means of shipment. It is submitted whenever changes in destination data are made. The information provided on the form is necessary to ensure that food deliveries are made efficiently. We estimate that 180 agencies will each provide about 7 responses each year. Thus, approximately 1,260 responses will be provided annually with each taking about 0.5 hours to complete, for a total reporting burden of 630 hours.

250.13(f) – Report of shipment received, Over, Short and/or Damaged. State and local agencies are required to report donated foods received that are damaged, out of condition, short or in excess of the amount ordered. This requirement will be supported by the Goods Receipt function in WBSCM and the FNS-57 paper forms will no longer be required, unless WBSCM is unavailable. The receiving organization will be required to enter a receipt in WBSCM for all deliveries and provide additional information related to over, short or damaged items if necessary. If this function is not performed it would be difficult for USDA to pursue claims

against carriers or vendors. In some instances, foods may be replaced if certain conditions are met. We estimate that approximately 303 responses from 330 respondents are made annually, for a total of 99,991 responses each year. Each response will take approximately .02 hours to complete. Thus the annual reporting burden for this requirement is approximately 2000 hours.

250.13(i), Notification of Suspected Embezzlement, Misuse, Theft, etc. State distributing agencies report to the FNS Regional Office any suspected violations of anti-fraud provisions of section 12(g) of the National School Lunch Act or Section 4(c) of the Agriculture and Consumer Protection Act of 1973. We estimate that 57 agencies will notify FNS Regional Offices of suspected violations each year. Each notification will take about 0.33 hours to complete. The total reporting burden for this burden is therefore 19 hours.

250.13(k) & 250.17(d), Commodity Acceptability Reports. Form FNS-663 is used on a biennial basis in some programs to obtain information from State distributing agencies on the types and forms of donated foods most acceptable to recipients. This information is necessary to ensure that commodities provided in food assistance programs are acceptable to program recipients. Approximately 252 agencies will submit a Commodity Acceptability Report each year. The report will take approximately 50 hours to complete, for a total reporting burden of 12,600 hours.

250.14(a)(2), Noncommercial Warehouse Evaluations. Every 3 years, State distributing agencies submit to the FNS Regional Office evaluations of noncommercial warehouse and distribution systems. We estimate that 6 State distributing agencies will submit evaluations to FNS Regional Offices each year. Each evaluation is estimated to take about 30 hours to complete, for a total reporting burden of 180 hours.

250.14(a)(4)(iv), Cost Comparisons of Existing Noncommercial Warehouse System with Commercial Systems. Every 3 years, State distributing agencies that utilize a noncommercial warehouse and distribution system submit a cost comparison of the existing storage and distribution system with a commercial system. We estimate that 6 State distributing agencies will submit cost comparisons each year. Each comparison will take 10 hours to complete. Thus, the reporting total for this requirement is 60 hours.

250.14(e), Distributing Agency's Physical Inventory Reporting. Distributing agencies submit justification to the FNS Regional Office for approval in instances when more than a six-month inventory is needed at the State level. 97 State agencies will submit justification for approval each year. This justification will take about 2 hours, for a total of 194 hours.

250.14 (f), Recipient Agency Excessive Inventories. Recipient agencies report excessive inventories to the State distributing agency. We estimate that 20 recipient agencies will report excessive inventories to their State distributing agency. This report will take approximately 0.33 hours to complete, for a total burden of 7 hours.

250.15(a), Distribution Charges. State distributing agencies submit a description of their system of assessing distribution charges for recipient agencies. At a minimum, updates are provided to

the FNS Regional Office every 3 years. We estimate that 97 agencies will submit a description of their system every three years (0.33 per year). The description will take 0.25 each. The total reporting burden is 8 hours.

250.15(f)(4), Excess Funds Justification. State distributing agencies provide sufficient justification for maintaining funds in the operating account in amounts exceeding the previous year's highest 3 months' expenditures. We estimate that 5 State agencies will provide justification for maintaining excess funds each year. This justification will take about 0.33 hours to complete, for a total burden of 2 hours.

250.17(a) & 251.10(d)(2) Commodity Inventory Report (FNS-155). State agencies report, semiannually, commodity inventories that exceed a 6-month supply, which is considered excessive and at risk of spoilage as outlined in 250.14(f). They do this using the FNS-155 Report. We estimate that 30 State agencies will submit 2 Commodity Inventory Reports each year, for a total of 60 annual responses. Each report will take about 0.67 hours to complete. The total reporting burden is 40 hours.

250.17(b) & 250.30(o), Processing Inventory Reports. This final rule removes the requirement that State distributing agencies submit quarterly processing inventory reports. (NET LOSS OF 912 hours).

250.17(e) Other Reports. State distributing agencies complete and submit other reports relative to distribution operations in such form as may be required by the Department. These include reports for States participating in the State Option Contract Program. Two States will submit 3 reports annually for the State Option Contract Program for a total of 6 responses. Each report under the State Options Contract Program will take about 2 hours to complete for a total burden of 12 hours. Recall Response Reporting – As instructed by the WBSCM Training Manual, in the event a food recall affects products provided by FNS for nutrition assistance programs the State agency which ordered the product is responsible for reporting the status of the product and its disposition. The WBSCM application provides basic information about the product and quantity provided to the State. We estimate a total of 4 recalls per year affecting 15 State Agencies with a single product affected. The time required to locate and report on the affected product is 24 hours per recall. Thus, the reporting burden is 1440 hours.

250.18, Review of Processor Performance. Multi-State processors must develop a written response addressing deficiencies which have been identified through CPA audit findings. We estimate that 50 multi-State processors will respond 1.7 times per year for an annual total of 85 responses. Each response will likely take 2 hours, for a total reporting burden of 170 hours. Previously, we estimated that 30 multi-State processors would respond two times per year for an annual total of 60 responses. Each response took 4 hours, for a total reporting burden of 240 hours (NET LOSS OF 70 HOURS)

250.19(b), Distributing Agency's Management Evaluation System. State distributing agencies establish evaluation and review procedures for their distribution programs. Distributing agencies

submit a report of review findings to each entity reviewed. State distributing agencies also submit a copy of the processor's review report in instances when the distributing agency has delegated the responsibility of sales verification to the processor. 97 agencies will submit reports each year detailing findings of evaluation and review of distribution programs and processors. Each report will take about 0.33 hours to complete, for a total reporting burden of 32 hours.

250.22, Reporting Irregularities Found Through Complaints. State distributing agencies investigate complaints received in connection with the distribution or use of donated food. The distributing agency reports each instance of serious irregularity to USDA. We estimate that 78 State agencies will file approximately 8 reports each regarding instances of serious irregularity, for a total of 624 reports. Each report will take about 0.10 hours to complete, for a total reporting burden of 62 hours.

250.30, Processor/Processing Agreements with Distributing Agencies/Recipient Agencies. Distributing agencies, subdistributing agencies, and recipient agencies responsible for the processing of donated foods into end products for schools enter into written agreements with processors. These contracts specify the types of records that must be maintained and submitted by the processor (i.e.: the types of end products made and the quantity yielded from the commodities used in their manufacture, and the method in which the end products will be sold to eligible recipient agencies.) These agreements are effective for 1 year, but may be extended for 2 additional 1-year periods. We estimate that there are about 50 respondents who will enter around 7.7 agreements per year for a total of 385 agreements per year. Each agreement will require 2 burden hours for a total reporting burden of 770 hours. Previously, this burden had been 324 hours, with an estimated 30 respondents who entered around 5.4 agreements for a total of 162 agreements per year. Each agreement had required 2 additional burden hours (NET INCREASE OF 446 HOURS).

250.30(1), Processing Contract Preparation, Approval and Submission to FNS. The requirement that State distributing agencies that enter into or approve a processing contract provide a copy of the contract to the processor and to FNS was removed as a result of this final rule. (NET LOSS OF 456 HOURS).

250.30(m), Processors' Performance Reports. As part of this final rule, the requirements of this section were moved to 250.37. (NET LOSS OF 1560).

250.30(s), Processing Manual. This final rule removes the requirement that State distributing agencies develop and provide a processing manual or similar procedural material for guidance to processors, recipient agencies, and contracting agencies at the time of approval of the initial agreement by the distributing agency, when regulatory or policy changes have been made, or upon request. 57 State distributing agencies are expected to develop one processing manual, or update the manual, each year. It is expected to take approximately .33 hours for each manual for a total annual burden of 18.81 hours (NET LOSS OF 18.81 HOURS).

250.36, Processing Refund Applications. When end products are sold to recipient agencies, these agencies submit refund applications to the processor within 30 days from the close of the month in which the sales were made. Approximately 2,350 respondents will submit 3 responses per year which take .2 hours to complete for a total burden of 1,410. Previously 2,350 respondents submitted approximately 3 responses per year which take 0.57 hours to complete, for a total burden of 4,018.5 (NET DECREASE OF 2608.5 HOURS).

250.37 Processors' Performance Reports. When commercial food processors contract with distributing, subdistributing or recipient agencies to convert donated foods into other end products or repackage the foods, processors submit a performance report for each contract to distributing agencies. The performance report lists: the type, and quantity of, end products purchased by, and delivered to, recipient agencies; complete donated-food inventory at the beginning and end of the reporting month; and, information regarding the utilization of the donated foods. The reports are received by the contracting agencies to ascertain if performance complies with the regulations and the terms of the contract. Approximately 50 respondents are expected to submit 207 performance reports per year. Each performance report is expected to take 1 hour to complete, for a total annual burden of 10,350 hours. Previously, approximately 500 respondents were expected to submit 9 performance reports per year. Each performance report was expected to take 1 hour to complete, for a total annual burden of 4,500 hours (NET GAIN OF 5,850 HOURS)

250.53 Contract provisions. In some school districts, recipient agencies enter into a written agreement with food service management companies to conduct food service operations. Food service management companies are required to credit recipient agencies for all donated foods not less frequently than annually.

Of the 20,770 school food authorities operating in school year 2004, we estimate that 2,783 had contracts with food service management companies. We estimate the burden needed to meet the contract requirements to be 1 hour. We estimate that each food service management company will submit one response per year, so that the total annual reporting burden for food service management company contracts is 2,783 hours x 1 response per year = 2,783 burden hours annually.

250.58 Ordering donated food. Through the Web Based Supply Chain Management System (WBSCM) local agencies use standard Internet ordering features (catalogs, shopping cart) to submit orders for donated foods electronically. This includes all ordering done using the FNS-52 or FNS-53 forms. We estimate that 110 distributing agencies each submit 642 direct shipment or processing diversion orders (FNS-52 equivalent) per year (one for each food ordered) for a total of 70,620 orders. Each submission takes an estimated 0.10 hours to complete. Thus the reporting burden for this provision is 7,062 hours. We estimate that 145 distributing agencies each submit 30 multi-food orders (FNS-53 equivalent) per year for a total of 4,350 orders. Each submission takes an estimated .10 hours to complete. Thus, the reporting burden for this provision is 435 hours.

250.69(a) & 250.70(a), Emergency Feeding Organization Applications Feeding During Disasters and Situations of Distress. These sections require Emergency Feeding Organizations feeding disaster victims to submit applications to the State distributing agency. We estimate that 500 organizations will submit applications to State agencies each year. Each application will take an estimated 0.02 hours to complete. The total burden for this application is 10 hours.

250.69(f), State Report for Commodities Distributed for Disaster Relief. This section requires State distributing agencies to submit a summary report to the FNS Regional Office within 45 days following termination of a disaster on Form FNS-292 “Report of Coupon Issuance and Commodity Distribution for Disaster Relief.” Submissions total less than ten per year. The ICB burden hours associated with Form FNS-292 are reported in a separate ICB package under OMB # 0584-0067.

250.69(g), State Request to Use Commodities for Disaster Feeding. This section requires State distributing agencies to submit a written request to the FNS Regional Office for replacement of foods used for disaster and other emergencies within 30 days of termination of the disaster assistance. Submissions total no more than 10 per year, with each submission taking about 1 hour to complete for a total reporting burden of 10 hours.

Recordkeeping Requirements--Part 250 General Food Distribution Regulations

250.10(b) & 250.12(a), USDA Agreements with Private Agencies/Distributing Agencies. USDA signs an agreement (FNS-74) with State agencies and appropriate private agencies to serve as “Distributing agencies” for the provision of commodity foods. The burden hours for the FNS-74 are addressed in the ICB Docket #0584-0067.

250.12(b), Distributing Agency Agreements with Recipient Agencies. Distributing agencies must maintain a copy of their agreement on file. We estimate that 11,211 recipients agencies will maintain copies of their agreement for a total recordkeeping burden of 897 hours (0.08 hours per agency).

250.12(e) & 250.14(d), Storage Facility Agreement. Recipient agencies must maintain on file a copy of all agreements with storage facilities. The recordkeeping burden for approximately 250 recipient agencies to maintain copies of agreements is 20 hours (0.08 hours per agency).

250.13(a)(1)(v), State Documentation for the Transfer of Donated Foods. Recipient agencies must receive authorization from State Distributing agencies prior to transferring donated foods between recipient agencies. Distributing agencies must receive approval from the FNS Regional Office prior to transferring donated foods for use in a program other than the one for which the foods were originally allotted. Records for the above transfers of donated foods are maintained by State Distributing agencies. Transfers of donated foods occurs approximately one time per

year for each of 97 agencies. Each of the 97 records takes approximately 0.08 hours to maintain for a total of 8 burden hours per year.

250.13(a)(5), Commodity Values. Distributing agencies must document and maintain on file the method used to determine the values of the commodities offered to schools and nonresidential child and adult care institutions. Each of 68 distributing agencies maintains one record per year. Since each record takes 0.08 hours to maintain, the burden to maintain this documentation is 5 hours per year.

250.14(c), Storage Facility Reviews. All storage facilities are reviewed annually by distributing, subdistributing, and recipient agencies to ensure compliance with storage facility standards. Documentation of compliance is maintained by the appropriate agency. 97 distributing agencies maintain one record per year. Each record takes 0.08 hours to maintain, for a total burden of 8 hours per year.

250.14(e), Physical Inventory Records. Distributing, subdistributing, and recipient agencies must perform a physical inventory of all storage facilities and reconcile their inventory with the facility's inventory records. The contracting agency maintains records reflecting inventory reconciliation. Documentation of efforts to reduce any excessive inventories must be provided to and maintained by the Distributing agency. 97 agencies maintain one inventory record per year. Each inventory record takes approximately 0.08 hours to maintain, for a total burden of 8 hours per year.

250.15(f), Segregating Operating Funds. Distributing and subdistributing agencies must maintain two separate operating accounts. The first for account of funds accrued from the collection of distribution charges and the other for funds accrued from the sale of containers, salvage of foods, insurance, and recoveries of claims. Approximately 11,211 agencies will maintain 9 to 10 accounts per year. We estimate 105,000 accounts must be maintained annually. Each account requires a recordkeeping burden of 0.08 hours per agency, for a total burden of 8,400 hours.

250.18, Multi-State Processor CPA Audits. Multi-State processors must maintain records pertaining to donated food acquisition, storage, distribution as well as financial information for required periodic CPA audits. Approximately 50 multi-State processors are expected to maintain records 1.7 times per year. Record maintenance is expected to take .33 hours for a total annual burden of 28.05 hours. Previously, approximately 15 multi-State processors were expected to maintain records 2 times per year. Record maintenance were expected to take .35 hours for a total annual burden of 10.50 hours (NET GAIN OF 17.55 HOURS).

250.19(b), Maintain Management Evaluation and Review Records. Distributing agencies must maintain a copy of each report of review findings for all programs receiving commodities, including recipient agencies, processors, warehouses, and food service management companies. Approximately 88 agencies will maintain copies of the report findings at 0.33 hours per agency,

for a total burden of 29 hours.

250.22, Distributing Agency Complaint Records. Distributing agencies must maintain evidence of investigations and actions on serious irregularities involving commodities. We estimate that 97 agencies will maintain complaint records, requiring 0.33 hours per agency, for a total recordkeeping burden of 32 hours.

250.30, Processing Contracts. Distributing agencies and recipient agencies must sign contracts with companies which further process commodity foods. Approximately 50 respondents are expected to submit 7.7 responses per year which take .08 hours to complete. The total annual burden is expected to be 30.8 hours. Previously, approximately 30 respondents submitted 5.533 responses per year which take .08 hours to complete, with a burden of 13.28 hours (TOTAL NET GAIN OF 17.52 HOURS).

250.30(c), Recordkeeping Requirements for All Processors. All processors contracting with a Distributing agency or Recipient agency to process commodities must maintain accurate and complete records for review pertaining to the receipt, distribution, use, and inventory of donated foods. Approximately 57 processors will maintain records, at about 0.5 hours per processor, for a total burden of 29 hours.

250.37, Maintenance of Records (Including Processor Contracts). This section was redesignated from 250.16 & 250.30. Distributing, subdistributing, and recipient agencies must maintain records relating to the receipt, distribution and inventory of donated foods. These records must address end products processed from donated foods, and determinations of liability for improper use of, or damage to, foods resulting from the pursuit of claims. These records, including reports submitted to FNS, are maintained on file for 3 years. 11,211 respondents are expected to maintain 10.26 records per year. Each record is expected to take .08 hours to maintain for a total annual burden of 9,200 hours (NO NET CHANGE).

250.53 & 250.54 Recordkeeping and Reviews. Recipient agencies must maintain a copy of contracts with foodservice management companies. Recipient agencies must document how the donated food used by food service management companies was credited, as well as the value that was credited. We estimate that 2,783 recipient agencies have contracts with food service management companies, and the recordkeeping burden for each is 0.25 hours. The recordkeeping burden for recipient agencies is 696 hours.

250.64(f), Records and Reports in the Pacific Islands. This section requires distributing agencies in the Pacific Islands to retain complete and accurate records for 3 years on all amounts of donated food received and disbursed. It also requires the recipient agencies to keep accounts and records reflecting the receipt and expenditure of administrative funds. Approximately 88 agencies will maintain records each year, for a total burden of 176 hours (2 hours per agency).

250.67(a) Correctional Institutions. This section requires distributing agencies to maintain a

written statement certifying that correctional institutions receiving commodities conduct a rehabilitation program for the majority of inmates. We estimate that 300 agencies will maintain records, for a total burden of 24 hours as maintenance of each record will take about 5 minutes (0.08 hrs.).

250.69(a) & 250.70(a), Records for Disasters and Situations of Distress. These sections require distributing agencies and Emergency Feeding Organizations to maintain applications for the receipt and distribution of donated foods for victims of disasters and situations of distress. Approximately 1,000 agencies will maintain one application annually at 0.02 hours each, for a total burden of 20 hours.

Reporting Requirements--Part 251 The Emergency Food Assistance Program (TEFAP)

251.2(c) & 251.5(a), Federal/State Distributing Agency Agreements and State Agreements with Eligible Recipient Agencies (ERAs). State distributing agencies enter into an agreement with USDA to administer TEFAP. State distributing agencies also enter into written agreements with ERAs to administer the Program. As with State agency/recipient agency agreements in Part 250, the agreements are permanent, with amendments provided as needed. This burden is contained in OMB #0584-0067.

251.4(g), Availability and Control of Donated Commodities. State distributing agencies must document transfers of donated commodities from one ERA to another. We estimate that 56 agencies transfer donated commodities from one ERA to another per year. Documentation for each transfer will take approximately 2 hours, for a total reporting burden of 112 hours.

251.4(j), Inter-Agency Agreements. State distributing agencies must enter into interagency cooperative agreements to jointly provide commodities to an ERA, or to transfer commodities to an ERA when such organization serves needy persons in a contiguous area that crosses State borders. We estimate that an average of 2 agencies will enter Inter-Agency agreements each year. Each agreement will take about 0.5 hours to complete, for a total burden of 1 hour.

251.4(l), Commodity Losses and Claim Determinations. State distributing agencies must initiate claims action for lost, damaged, or improperly distributed commodities and reimburse the FNS Regional Office if they are the responsible party. We estimate that about 100 claims will be initiated each year. Each claim will take about 8 hours to complete, for a total reporting burden of 800 hours.

251.6(b) State Agency Distribution Plan. 14 State distributing agencies must submit a plan to the FNS Regional Office that designates the State agency responsible for distributing the commodities; identifies the administrative funding provided; describes the plan of operation; describes the standards of eligibility for recipient agencies; and, describes the criteria to be used by recipient agencies for determining household eligibility. State plans are permanent, but States

must submit a revised plan when there is a change to their operation or programmatic activities. On average, 14 agencies will submit plans each year. State plans will take about 19 hours to complete. Thus, the total reporting burden is 266 hours for this activity.

251.9(e) & 251.10(d)(1), State Agency Matching Contribution and Use of Program Funds. On a quarterly basis, State distributing agencies must identify funds obligated and disbursed to cover administrative costs associated with the program at the State and local level. State distributing agencies identify their matching administrative contribution on Form FNS-667 “Report of TEFAP Administrative Costs.” The Form FNS-667 is used in TEFAP in place of the Standard Form 425. On average, 55 agencies will complete this activity 5 times each year, for a total of 275 responses. Each response will take about 3.5 hours to complete. The total burden for this activity is 963 hours.

251.9(e) & 251.10(d)(1), State Agency Matching Contribution and Use of Program Funds (ARRA related funding). On a quarterly basis, State distributing agencies must identify funds obligated and disbursed to cover administrative costs associated with the program at the State and local level. State distributing agencies identify their matching administrative contribution on Form FNS-667 “Report of TEFAP Administrative Costs.” The Form FNS-667 is used in TEFAP in place of the Standard Form 425. On average, 55 agencies will complete this activity 8 times over 1 ½ years (the total duration of ARRA funding), for a total of 440 responses. Each response will take about 3.5 hours to complete.

251.10(e), Monitoring of Eligible Recipient Agencies (ERAs) and Distribution Sites. Each State distributing agency must perform an annual review of at least 25% of all recipient agencies they have signed an agreement with. The frequency of reviews of ERAs that have signed agreements with other ERAs is one-tenth or 20, whichever is fewer. A report to the ERA of review findings is only required if deficiencies are noted. An average of 56 agencies will perform this activity each year, taking 2 hours per review. The total burden for monitoring is 112 hours per year.

Recordkeeping Requirements--Part 251 The Emergency Food Assistance Program (TEFAP)

251.2(c)(1) Federal-State Agreements. The State distributing agency must keep a copy of the agreement it has made with the Department to administer TEFAP. 56 agencies will keep agreements, for a total burden of 4 hours (0.08 hours per agency).

251.2(c)(2) & 251.5(a), State Agency- Eligible Recipient Agency (ERA) Agreements. The State distributing agency must keep a copy of its agreement with eligible recipient agencies to administer TEFAP at the local level. 1,600 agencies will maintain records, at approximately 0.08 hours per agency, for a total recordkeeping burden of 128 hours.

251.4(g), Documentation of Transfer of Section 32 Commodities. State distributing agencies document transfers of Section 32 commodities by ERAs or recipient agencies to other ERAs or recipient agencies. Records will be maintained by 56 agencies with each record taking 0.33 hours

to maintain, for a total burden of 18 hours.

251.4(j), Inter-Agency Agreements. State distributing agencies keep a copy of all agreements addressing the joint provision or transfer of commodities to ERAs that serve persons in contiguous areas crossing State borders. On average, 2 agencies will enter into inter-agency agreements per year. The recordkeeping burden for this activity is expected to take 0.08 hours for each of 2 agencies, for total burden of less than an hour.

251.4(l)(5), Claims and Adjustments. State distributing agencies maintain records and substantiating documents on all claims actions and adjustments including documentation of those cases in which no claim was asserted because of the minimal amount involved. 56 agencies will maintain records on claims actions and adjustments. This will take 2 hours per agency, for a total of 112 hours.

251.10(a)(1), Receipt, Disposal, and Inventory of Commodities. State distributing agencies and ERAs maintain records to document the receipt, disposal, and inventory of commodities received under Part 251. This requirement includes the maintenance of Forms FNS-155, FNS-52, FNS-7 and FNS-57. 56 agencies will maintain these records, taking 5.67 hours per agency. Thus, the total recordkeeping burden is expected to be 318 hours.

251.10(a)(2), Funds Paid to ERAs for Storage and Distribution. State distributing agencies maintain records to document the amount of funds paid to ERAs for the actual storage and distribution costs incurred by them. State distributing agencies must ensure that ERAs maintain the required records. 56 agencies will maintain records. Each record will take 0.33 hours per year to maintain, for a total recordkeeping burden of 18 hours.

251.10(a)(3), Eligibility Determination and Collection of Participating Household Information. Each distribution site must collect and maintain records of each household receiving commodities for home consumption. The records must contain: the name of the household member receiving the commodities; the address of the household; the number of persons in the household; and, the basis for determining that the household is eligible for commodities. 1,600 sites will maintain records of households receiving commodities. These records will take 419.9 hours to maintain per agency, for a total recordkeeping burden of 671,840 hours.

Reporting Requirements

Part 253--Food Distribution Program on Indian Reservations (FDPIR) and Part 254-- Food Distribution Program for Indian Households in Oklahoma (FDPIHO)

Part 253 contains a general provision under Section 253.5(h) requiring that the State agencies keep records and submit reports and other information related to the Food Distribution Program on Indian Reservations as required by FNS. All of the ICB reporting requirements in Part 253 also apply to Part 254 (Indian Households in Oklahoma). The reporting requirements as follows:

253.5(a) & 254.3(a), Plan of Operation. The Indian Tribal Organization (ITO) or State agency submits a plan of operation to the FNS Regional Office for approval. The plan describes: the means by which the ITO or State agency will provide for the storage and distribution of commodities; the method of determining household eligibility; a description of survey instruments to determine commodity preferences of households; and, other steps taken to assure that the program will be administered in an efficient manner. Plans of operation are ongoing and amended as necessary. 24 ITOs and State agencies will submit or amend their plan of operations at least once each year. Each plan or amendment will take about 3 hours to complete, for a total burden of 73 hours.

253.5(i) & 254.3(a), Monitoring and Reviews of Program Operations. The ITO or State agency must review program operations annually, document deficiencies, and implement corrective action. 97 agencies will conduct an annual review of program operation taking approximately 2 hours to complete. Thus, the total burden for this activity is expected to be 194 hours.

253.7 & 254.3(a), Certification of Households to Participate. Households complete an application to participate in the program and recertify at intervals determined by the State agency or ITO. The State agency or ITO reviews the certification or recertification application to determine household eligibility. State agencies or ITOs will each certify or recertify approximately 4,666 households each year. Each certification will take about 0.51 hours to complete. Therefore, the total reporting burden for this activity is expected to be 2380 hours. This increased reporting reflects a combination of a decrease in reporting burden caused by an extended recertification period for certain elderly or disabled households up to 24 months, combined with an increase in reporting burden caused by increased participation caused by relaxed income and resource limits. The net increase in reporting burden as a result of this change is 50.61 hours.

253.3(c), The Prime Vendor Pilot Project Evaluation. 23 reporting burden hours are associated with this project which was implemented to test methods of streamlining commodity ordering and delivery to Indian Tribal Organizations (ITOs) participating in FDPIR in the Midwest Region. It is expected that 23 pilots will be conducted, with each requiring one report annually. Reporting is anticipated to take one hour for each pilot.

253.8(b) & 254.3(a), Commodity Inventories. The ITO or State agency, in coordination with the FNS Regional Office, tracks commodity inventories at storage facilities, utilizing Form FNS-152 “Monthly Distribution of Donated Foods to Family Units.” This form is also used to report monthly participation of households. 97 ITOs and State agencies will report monthly participation on Form FNS-152. Because 97 ITOs and State agencies will report monthly participation 12 times per year, we anticipate 1,164 responses will be made annually. Each response will take about 2.5 hours to complete. The total burden for this activity is 2,910 hours.

253.8(f) & 254.3(a), Damaged or Out-of-Condition Commodities. 97 ITOs and State agencies report damaged and out-of-condition commodities to the FNS Regional Office utilizing Form FNS-57. These commodities may be replaced after the conditions set forth in Section 250.13(g)

are met. Approximately 150 reports will be received each year. Each report will require about 0.25 hours to complete, for a total reporting burden of 38 hours.

ARRA Financial Status – Section 101 of ARRA provides \$5 million for equipment upgrades and facility repair. States and ITOs that received funds will report the use of these funds on the SF-425 and will be required to provide six responses over one and a half fiscal years. It is estimated that each response will take about 45 minutes to complete and that 97 ITOs will be required to respond. We anticipate an increase of 437 hours as a result of this additional reporting.

Recordkeeping Requirements
Part 253--Food Distribution Program on Indian Reservations (FDPIR) and
Part 254-- Food Distribution Program for Indian Households in Oklahoma (FDPIHO)

253.5(h) & 254.3(a), Recordkeeping of Reports. Records of required information collections are maintained for a period of 3 years including certifications, applications, and documentation of the granting or denial of household eligibility. Below is a breakout of the burden for these miscellaneous recordkeeping items:

Plan of Operations – 97 ITOs and State agencies will maintain 1 document each, for a total recordkeeping burden of 8 hours (0.08 hours per Plan of Operation).

Household Applications – 97 ITOs and State agencies will maintain records of an estimated 824,742 applications per agency for a total of 80,000 applications. The total recordkeeping burden for household applications is 6,400 hours (0.08 hours per application).

Reporting Changes – 97 ITOs and State agencies will need to keep documentation of changes in certification status. Approximately 4,500 changes will occur each year (46,392 per agency). Thus, the total recordkeeping burden for this item is 360 hours (0.08 hours per change).

Disposal of Out of Condition Commodities – Approximately 25 ITOs and State agencies will dispose of out of condition commodities and will keep records of those commodities disposed. The total burden for this activity is 2 hours, or 0.08 hours per record.

ITO Application – 97 ITOs must maintain copies of their applications. The total burden for this activity is 8 hours (0.08 hours per record).

Commodity Inventories – 97 ITOs must maintain records of monthly inventories, for a total of 1,164 Responses per year. The total recordkeeping burden for inventories is 93 hours (0.08 hours per inventory).

Damaged or Out of Condition Commodities – 97 ITOs and State agencies will submit about 150 reports of damaged and out of condition commodities (1,546 reports per agency) on an annual basis. Therefore, the total recordkeeping burden for this activity is 12 hours (0.08 hours per report).

Financial Status – 97 ITOs and State agencies must maintain records of quarterly financial reports submitted on Standard Forms (SF) 425. Each agency submits 4 reports annually, for a total of 388 responses. The total burden for this activity is 31 hours (0.08 per report).

Thus, the total recordkeeping burden for 253.5(h) and 254.3(a) is 6,914 hours.

253.5(j) & 254.3(a), Investigations and Complaints. The ITO or State agency must keep a record of investigations and actions taken in response to complaints received relating to the handling, distribution, receipt, or use of commodities. 97 ITOs and State agencies will keep records of complaints. Each agency will spend about 3 hours maintaining records related to investigations and complaints, for a total burden of 291 hours.

253.7(h) & 254.3(a), Fair Hearings. Records of fair hearings affecting household eligibility for commodities must be maintained. 97 ITOs and State agencies will maintain records of fair hearings. Each ITO or State agency will spend approximately 0.25 hours maintaining these records, for a total burden of 24 hours.

253.11(b) & 254.3(a), Management of Administrative Funds. Records are kept to account for all administrative funds received from the Department. 97 agencies will keep records on administrative funds. Each agency will spend about 0.5 hours keeping these records, for a total recordkeeping burden of 49 hours.

Standard Forms Used in USDA's Commodity Programs:

In addition to the Agency-developed forms above, FNS also uses OMB Standard Forms SF-424 and SF-425 in the commodity programs. The burden hours associated with the activities reported on these forms are cleared in other OMB packets and are not included in the total burden hours listed in this statement. However, at OMB's request, a description of the forms is listed below:

247.13(b) & 247.18(a), Receipt and Disbursement of Administrative Funds. State agencies submit Form SF-425, Financial Status Report, on a monthly basis to report disposition of administrative funds, and also at the close of the fiscal year to report cumulative expenditures.

253.4(d), Application by an Indian Tribal Organization (ITO) or State agency. The ITO wishing to administer FDPIR on one or more Indian reservations completes an application, utilizing Form SF-424 "Application for Federal Assistance," and submits it to the FNS Regional Office, along with pertinent information. The application includes projected administrative costs for the program, of which 75 percent may be met by Federal grant. Applications are completed annually using Form SF-424.

253.9(h)(2), Accounting for Funds Received. ITOs or State agencies receiving funds through a Letter of Credit submit to the FNS Regional Office quarterly reports, utilizing Form SF-425 "Financial Status Report," to document the use of such funds.