

**Supporting Statement for Information Collection Approval of the
Extension of the Low Income Home Energy Assistance Program
(LIHEAP) Model Plan
May 7, 2010**

A. Justification

1. Circumstances Making the Collection of Information Necessary

The Low Income Home Energy Assistance Program (LIHEAP) statute, U.S.C. 8624, requires that as part of the annual application required for the receipt of Federal funds to administer a LIHEAP program, each grantee must provide specific information in its state plan. Grantees may use any format they wish to submit the information. However, the statute requires HHS to distribute a model plan format to grantees each year.

Under prior guidance, the Chief Executive Officer in States, Tribes or Territories is required to certify in the LIHEAP State Plan that the grantee will uphold all rules, regulations, and policies associated with the LIHEAP program. As cited above, grantees must have in place policies that address waste, fraud and abuse.

Presidential Executive Order 13520, reducing Improper Payments and Eliminating Waste in Federal Programs, issued in November 2009, encourages Federal agencies to take deliberate and immediate action to eliminate fraud and improper payments. As part of the review of programs subsequent to this executive order, HHS has determined that additional information from each administering agency is necessary to assess grantee measures that are in place to prevent, detect or address waste, fraud and abuse in LIHEAP programs.

The Administration for Children and Families is requesting the Office of Management and Budget to authorize emergency processing of its information collection clearance of the LIHEAP Program Integrity Assessment and Plan in order for submission by grantees with their applications for fiscal year 2011 funding.

2. Purpose and Use of the Information Collection

The data is reviewed by the Division of Energy Assistance, Office of Community Services, to determine whether grantees have submitted a complete application for Federal funds. An application consists of two parts--certification to sixteen assurances and a plan describing how several of the assurances will be implemented, along with other information, as described in section 2605(c) of the statute. Submission of a complete application is a prerequisite to receiving Federal funds to administer a LIHEAP program. Most grantees use the model

plan format, which reduces the burden on the grantee, speeds the HHS review process and makes the faster issuance of grant awards possible.

3. Use of Information Technology and Burden Reduction

We significantly reduced the burden, effective with FY 1998 applications, by developing an abbreviated plan that grantees may use in two of every three years. The Division of Energy Assistance makes the LIHEAP Model Plan available to grantees for downloading from the ACF web site.

We have been working closely with the ACF Office of Information Systems to develop an electronic format. The initial effort based on ACF's current capacity failed to produce a user-friendly product and would have required grantees to purchase software that they would not otherwise need. ACF currently is in the process of developing the capacity to allow our customers to fill out and submit forms electronically. The electronic version will be the same as the paper and website versions.

4. Efforts to Identify Duplication and Use of Similar Information

There is no similar source of information used which can be modified for the purpose of collecting required state plan information for the Low Income Home Energy Assistance Program from one year to the next.

5. Impact on Small Businesses or Other Small Entities

This model plan format does not involve small entities as defined by OMB. Only states, territories, tribes and tribal organizations are affected.

6. Consequences of Collecting the Information Less Frequently

The information requirements are an annual activity which is required by law for the receipt of Federal block grant funds. Under the LIHEAP statute, we must make a model plan available to grantees. It provides grantees an optional management tool that may alleviate the burden of preparing additional information to complete plans. This model encompasses the content of the information statutorily required for a complete plan. Without this information collection, we would not be able to issue grants.

7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5

There is no circumstance that requires the information to be provided or the

model plan format to be used in a manner inconsistent with the guidelines in 5 CFR 1320.6.

8. Comments in Response to the *Federal Register* Notice and Efforts to Consult Outside the Agency

This is an emergency request. Notice of the request for OMB approval of information collection for the LIHEAP application requirements/Model Plan and the LIHEAP Program Integrity Assessment and Plan will be published in the Federal Register and made available for review and comment. We will send a copy of the Federal Register notice and the proposed Model Plan and LIHEAP Program Integrity Assessment and Plan to all LIHEAP grantees and persons on our "interested parties" mailing list and requested their comments.

There has been a change in the substance of this collection activity since the activity was last approved to add the LIHEAP Program Integrity Assessment and Plan.

9. Explanation of Any Payment or Gift to Respondents

There is no payment or gift involved other than awarding funds based on complete plans.

10. Assurance of Confidentiality Provided to Respondents

There is no assurance of confidentiality that is applicable to this information collection or Model Plan.

11. Justification for Sensitive Questions

There are no sensitive questions contained in the information required or Model Plan.

12. Estimates of Annualized Burden Hours and Costs

If all current grantees choose to apply for funds, there will be approximately 180 respondents. If the Detailed Model Plan is used, we estimate that it will take each respondent 1 hour to complete; if the Abbreviated Model Plan is used, we estimate 20 minutes per response. The LIHEAP Program Integrity Assessment and Plan will take an addition hour to complete. This includes the time for reviewing previous applications, gathering the data needed and reviewing the completed application, and assessing monitoring procedures. Because the Model

Plan is so simple to use, and has been so well received by grantees, we expect virtually all respondents to use the model plan format. The LIHEAP Program Integrity Assessment and Plan will add an additional 180 hours to the respondent burden due to 1 hour per each of the 180 respondents. This means that the total respondent burden is 283 hours. We anticipate that the LIHEAP Program Integrity Assessment and Plan will also be well received.

The current OMB inventory for this collection is 103 hours. OMB approval for the current information collection expires on September 30, 2011, approval number 0970-0075.

The breakdown in burden hours is as follows:

ANNUAL BURDEN ESTIMATES

INSTRUMENT	NUMBER OF RESPONDENTS	NUMBER OF RESPONSES PER RESPONDENT	AVERAGE BURDEN HOURS PER RESPONSE	TOTAL BURDEN HOURS
DETAILED MODEL PLAN	65	1	1	65
ABBREVIATED MODEL PLAN	115	1	.33 (20 MINUTES)	38
LIHEAP Program Integrity Assessment and Plan	180	1	1	180

Estimated Total Annual Burden Hours: 283

If the Detailed Model Plan is used, we estimate that it will take 1 hour to complete. Because the Model Plan is available electronically, and much of the plan only calls for check marks at appropriate places, we expect that the entire task would be performed by a professional staff member at a cost of \$20 for one hour's work. The total cost for the 65 respondents we estimate would use the Detailed Model Plan each year would be \$1,300 (65 x \$20).

If the Abbreviated Model Plan is used, we estimate it will take 20 minutes per response including the time for reviewing previous applications, gathering the data needed and reviewing the completed plan. We estimate the cost, based on an hourly labor cost of \$20, to be \$759 (.33 x \$20 x 115 respondents).

If the LIHEAP Program Integrity Assessment and Plan is used, we estimate that it will take 1 hour to complete. We expect that the entire task would be performed by a professional staff member at a cost of \$20 for one hour's work. The total cost for the 180 respondents we estimate would use the LIHEAP Program Integrity Assessment and Plan each year would be \$3,600 (180 x \$20).

13. Estimates of Other Total Annual Cost Burden to Respondents and Record Keepers

There are no additional annual direct costs to respondents as a result of this information collection.

14. Annualized Cost to the Federal Government

Based on our experience in administering the LIHEAP program, we estimate that it takes an average total of 4 hours for Federal staff to review each Detailed Model Plan and make any necessary follow-up contacts with grantees to obtain additional information. We estimate that it will take an average of 1.5 hours to review each Abbreviated Model Plan and make any necessary follow-up contacts with grantees.

A GS-13 employee generally reviews each report and a GS 13 may also do second review. A GS-14 or GS-15 employee generally makes final decisions when there are questions about the adequacy of information. At an average salary rate of \$30 per hour, assuming 4 hours each for 65 applications and 1.5 hours each for 115 applications, the Federal salary costs each year will be about \$12,975 ([4 hours x 65 applications] + [1.5 hours x 115 applications] x \$30).

The Division of Energy Assistance projects an annual reproduction cost of \$140. This estimate is based on 180 respondents receiving one copy of the Detailed Model Plan and one copy of the Abbreviated Model Plan.

15. Explanation of Program Changes or Adjustments

A program change was required by E.O. 13520 mandating the LIHEAP Program Integrity Assessment and Plan be added to the current approval. This established the requirement "LIHEAP Program Integrity Assessment and Plan" to be submitted by all State LIHEAP grantees. The new LIHEAP Program Integrity

Assessment and Plan must be submitted with each State's FY 2011 State Plan. Both the State Plan and the LIHEAP Program Integrity Assessment Plan must be submitted no later than September 1, 2010. The LIHEAP Program Integrity Assessment Plan must address key elements of an effective fraud prevention system and a framework for those key elements will be distributed to all State grantees via an Action Transmittal. The LIHEAP Program Integrity Assessment Plan must be submitted by all State grantees regardless of whether the State grantee is scheduled to submit a detailed or abbreviated State Plan for FY 2011."

There were no adjustments.

16. Plans for Tabulation and Publication and Project Time Schedule

The results of the information collection and Model Plan will not be published.

17. Reason(s) Display of OMB Expiration Date is Inappropriate

The OMB approval number and expiration date will be clearly displayed on the front page of the Model Plan and action transmittals relating to application requirements. The information required in section 1320.8(3) in the regulation also will be displayed on the front page of the document.

18. Exceptions to Certification for Paperwork Reduction Act Submission

There are no exceptions necessary for this information collection.

B. Collection of Information Employing Statistical Methods

This information collection does not employ statistical methods.