

2011 SUPPORTING STATEMENT

WIC Financial Management and Participation Report with Addendum OMB # 0584-0045

A. Justification

1. **Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

Section 17(f)(4) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(4)) provides that “State agencies shall submit monthly financial reports and participation data to the Secretary” (See also 7 CFR 246.25(b)(1)). The attached forms being submitted for revision, WIC Financial Management and Participation Report with Addendum (FNS-798 and FNS-798A), are the forms State agencies complete to comply with this requirement (Attachment 1). FNS and State agencies use the reported information for program monitoring, funds management, budget projections, monitoring caseload, policy development, and responding to requests from Congress and interested parties.

In addition, nonentitlement programs, such as the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), are required to conduct an annual closeout and reconciliation of grants. Departmental regulations at 7 CFR 3016.23(b) require that “[a] grantee must liquidate all obligations incurred under the award not later than 90 days after the end of the funding period (or as specified in a program regulation) to coincide with the

submission of the annual Federal Financial Report (SF-425).” WIC Program regulations at 7 CFR 246.17(b)(2) instruct State agencies to “submit to FNS, within 120 days after the end of the fiscal year, final fiscal year closeout reports.” The final WIC Financial Management and Participation Report (FNS-798) submitted for the year with its addendum (FNS-798A) are used as a substitute for the SF-425, because they maintain the integrity of WIC’s two grant components (food and nutrition services and administration (NSA)) as well as the four NSA grant components (program management, client services, nutrition education, and breastfeeding promotion and support).

The proposed revision of the WIC Financial Management and Participation Report (FNS-798) and its addendum (FNS-798A) will modify the format for reporting unliquidated NSA obligations. The current FNS-798 requires unliquidated NSA obligations to be reported in the columns corresponding to the 12 months of the fiscal year in which the obligations are incurred. These obligation amounts are then revised downward as outlays and deobligations are made. WIC State agencies have determined reporting downward adjustments for outlays and deobligations is more laborious when reported by obligation month rather than as an adjustment to a cumulative amount. Therefore, the proposed revision will return to a prior format to allow WIC State agencies to report unliquidated NSA obligations as a cumulative year-to-date total.

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

FNS and State agencies use the information reported each month for program monitoring, funds allocation and management, budget projections, caseload monitoring, policy development, and responding to requests from Congress and the interested public.

The final year-end report FNS-798 with its Addendum (FNS-798A) is used by FNS to close out the State agency's Grant Award Document (GAD) and Letter of Credit (LOC) for the report year and prepare a final fiscal year Statement of Account for the State agency for the report year. This also entails adjusting the State agency's GADs for the report year and/or the following fiscal year to implement the State agency's financial decisions as shown on its final FNS-798. FNS also uses the data to determine if the State agency has met the 97% performance standard for food and the 10% performance standard for NSA. FNS uses the information reported on the FNS-798A to determine whether the statutory NSA nutrition education and breastfeeding promotion and support expenditure requirements are met and to monitor other NSA costs.

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

In compliance with E-Government Act of 2002, all WIC State agencies have automated management information systems and accounting records to generate and report FNS-798 and FNS-798A data. FNS' electronic reporting system, the Food Programs Reporting System (FPRS), <https://fprs.fns.usda.gov/> allows all WIC State agencies to submit FNS-798

and FNS-798A reports electronically.

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

There is no duplication of this information collection request. Every effort has been made to avoid duplication. FNS has reviewed USDA reporting requirements, state administrative agency reporting requirements, and special studies by other government and private agencies. FNS is the sole government agency that monitors the WIC non-entitlement programs for annual close out and reconciliation of grants.

- 5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

Many of the Indian Tribal Organization (ITO) State agencies are small organizations. There are currently thirty-four (34) ITO. The FNS-798 and FNS-798A minimizes their burden, as well as that of other State agencies, by limiting the information collected to that which is useful to FNS and State agencies. The information is collected in a chronological format helpful to both FNS and State agencies. FNS issued and periodically updates the WIC Reporting Guide, which provides detailed instructions for completing the FNS-798 and FNS-798A. FNS also provides technical assistance as needed on using and completing these reports to minimized burden.

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

A major consequence of less frequent collection would be the loss of timely and accurate data needed to manage funds in a non-entitlement grant program such as WIC. The WIC appropriation is very carefully managed, and its effective management depends upon the timely receipt of information from State agencies. Up-to-date data facilitates the early detection and correction of problems. For example, the FNS Regional Offices monitor each of their respective State agencies' cost per participant and rates of expenditure to keep them from overspending their authorized grants. In addition, section 17(i)(2) of the CNA requires FNS to reallocate funds periodically if it is determined that a State agency is unable to spend its grant. Lastly, the data collected on the final monthly FNS-798 of the report year and the FNS-798A is used to close out each State agency's grant. A State agency's grant cannot be closed out without this data.

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

- **requiring respondents to report information to the agency more often than quarterly;**

Monthly reporting is critical for monitoring each State agency's expenditures to ensure it does not overspend its authorized grant, which would create a financial burden for the State. Costs incurred by a State agency in excess of its grant must be paid by the State.

- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **requiring respondents to submit more than an original and two copies of any document;**
- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**

- **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- **requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

There are no other special circumstances. The collection of information is conducted in a manner consistent with the guidelines in 5 CFR 1320.5

- 8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice 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, or reporting form, and on the data elements to be recorded, disclosed, or reported.

A 60-day Federal Register Notice announcing FNS' intention to extend the use of form FNS-798 was published in the Federal Register on January 20, 2011, Volume 76, No. 13, Page 3599. One favorable comment was received in response to this notice and submitted with this collection.

State and regional officials provide ongoing advice or feedback on form FNS-798 with Addendum (FNS-798A). Monthly conference calls between FNS and the National WIC Association Funding Committee provide an excellent opportunity for State officials to communicate regularly to discuss any potential change to data elements or data form based on feedback from State staff responsible for reporting the data.

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

No payments or gifts are provided to respondents.

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

The Department will comply with the Privacy Act of 1974.

- 11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior or attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

There are no questions of a sensitive nature included in this clearance.

- 12. Provide estimates of the hour burden of the collection of information. The statement should:**

- **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. If this request for**

approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.

Table 12.1 estimates of the annual hour burden for the WIC Financial Management and Participation Report (Form FNS-798). The number of respondents is 90 State agencies which is the affected public. FNS estimates that approximately 3.2367 hours spent per report and the number of reports submitted per year is estimated at 15 reports totaling the burden hours requested at **4,369.5 hours**.

Table 12.1 also depicts the Addendum to the WIC Financial Management and Participation Report (Form FNS-798A). There are 90 State agencies annually reporting 1 time. The estimated number of hours spent per report - 1.7 hours; FNS estimates the burden hours needed to comply with this requirement is **153 hours**.

There is no recordkeeping burden in retaining these forms.

Table 12.1 Estimates of Burden Hours

| Type of Respondent | Form Number | Number of Respondents | Number of responses annually per Respondent | Total annual responses (c x d) | Estimate of Burden Hours per response | Total Annual Burden Hours (e x f) |
|--------------------|-------------|-----------------------|---------------------------------------------|--------------------------------|---------------------------------------|-----------------------------------|
| WIC State Agencies | 798 | 90 | 15 | 1,350.00 | 3.2367 | 4,369.55 |
| | 798 A | 90 | 1 | 90.00 | 1.7 | 153.00 |
| Total | | 90 | | | | 4,522.55 |

- **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories.**

Table A.12.2 reports the respondent costs associated with the WIC Financial Management and Participation Report (Form FNS-798). The median hourly wage rate for State Agencies is estimated at \$23.07 per hour. The estimated annual salary of respondent is \$47,980* and the estimated salary per hour ($\$47,980/2,080$) is \$23.07*. Total burden hours (3.2367) multiplied by the total reports per year (1350) and the salary per hour (\$23.07) is estimated at an annual cost of \$100,805.40.

Table A.12.2 also estimates the cost for the Addendum to the WIC Financial Management and Participation Report (Form FNS-798A). There are 90 State agencies reporting 1 time. The total burden hours (1.7) multiplied by the total reports per year (90) multiplied by the salary per hour (\$23.07) is estimated at an annual cost of \$3,529.71.

Total annual cost is estimated at \$104,335.01.

12.2 Estimates of Annualized Cost to Respondents

| Type of Respondent | Type of Instrument | Average time per Response | Number of Respondents | Frequency of Response | Hourly Wage rate | Respondent Cost |
|----------------------------------|--------------------|---------------------------|-----------------------|-----------------------|------------------|-----------------|
| WIC State agency | 798 | 3.2367 | 90 | 15 | 23.07 | \$100,805.30 |
| | 798 A | 1.7 | 90 | 1 | 23.07 | \$3,529.71 |
| Total Annual Cost to Respondents | | | 90 | 16 | | \$104,335.01 |

*These salary estimates are the Mean Annual and the Mean Hourly wage estimates for State Government employees for calendar year 2008 obtained from the U.S. Department of Labor, Bureau of Labor Statistics (BLS). As of the date of this submission, the 2008 data is the latest data available from BLS for State Government employee salaries.

- 13. Provide estimates of the total annual cost burden to respondents or record keepers resulting from the collection of information (do not include the cost of any hour burden shown in items 12 and 14). The cost estimates should be split into two components: (a) a total capital and start-up cost component annualized over its expected useful life; and (b) a total operation and maintenance and purchase of services component.**

There are no capital/start-up or ongoing operation/maintenance costs associated with this information collection.

- 14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost and any other expense that would not have been incurred without this collection of information.**

Annualized cost to the Federal government is estimated to be.

The cost to the Federal government is the cost of FNS Regional Office staff to review the data submitted by each of the 90 State agencies prior to its use by FNS Headquarters.

GS9, step 1 Regional Program Analyst = \$41,563*

Salary per hour ($\$41,563/2080$) = \$19.98*

Hours spent at region [review (0.50 hours) multiplied by 1,350 reports (90 State agencies X 15 reports)] = 675 total hours/year

Total hours (675) X salary per hour (\$19.98) = \$13,486.50 total regional cost

The cost to the Federal Government for the national office staff to develop, revise and modify the WIC Financial Management and Participation Reports:

GS 11, step 1 National Program Analyst = \$50,287*

Salary per hour ($\$50,287/2080$) = \$24.18*

Hours spent developing and reviewing the reports = 40 total hours/year

Total hours (40) X salary per hour (\$24.18) = \$967.20 total cost.

GS14, step 1 Branch Chief = \$84,697*.

Salary per hour (\$84,697/2080) = \$40.72*.

Hours spent developing and reviewing the report = 40 total hours/year.

Total hours (40) X salary per hour (\$40.72) = \$1628.80 total cost.

Regional Program Analyst cost (\$13,486.50) + National Program Analyst cost (\$967.20) +

Branch Chief cost (\$1628.80) = \$16,082.50 cumulative annual cost.

*These salaries are the Annual and Hourly Rates obtained from the Office of Personnel Management Salary Table 2011-General Schedule, Effective January 2011.

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

Burden decreased due to program changes from 5,285 to 4,523. The program is no longer required to report funding from the American Recovery Reinvestment Act. In addition, the proposed revision will return to a prior format to allow WIC State agencies to report unliquidated NSA obligations as a cumulative year-to-date total.

16. For collections of information whose results are planned to be published, outline plans for tabulation and publication.

Each month, FNS posts the latest available monthly and annual WIC financial and participation data on the WIC website. <http://www.fns.usda.gov/wic/> The data is also part of the Food and Nutrition Service's Key Data Report sent to the Office of Management and Budget (OMB) and Congress each month.

- 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.**

The expiration date will be displayed.

- 18. Explain each exception to the certification statement identified in Item 19 "Certification for Paperwork Reduction Act."**

There are no exceptions to the certification statement on OMB Form 83-1.