

**THE INTEGRITY PROGRAM (TIP) DATA COLLECTION**

**FNS – 698, 699 and 700**

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## List of Attachments

- Appendix A: Child Nutrition Act of 1966, As Amended Through Public Law 111-296, Effective December 13, 2010
- Appendix B: Title 7 CFR Part 246.12(j)(5)
- Appendix C: 60 Day Federal Register Notice
- Appendix D: OMB Form 83-1
- Appendix E: FNS 698, 699 and 700

## 2011 SUPPORTING STATEMENT

### WIC Financial Management and Participation Report with Addendum OMB # 0584-0401

#### 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.**

This is an extension of a currently approved collection. WIC Program regulations at 7 CFR 246.12(j)(5) requires WIC State agencies to report annually on their vendor monitoring efforts. This data collection system has been in place since 1989. The data is used at the State level as a management tool and at the national level to provide Congress, the Office of the Inspector General, senior program managers, as well as the general public, assurances that program funds are being spent appropriately and that every reasonable effort is being made to prevent, detect and eliminate fraud, waste and abuse.

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.**

The data is analyzed by State agencies and FNS using forms FNS-698, 699 and 700. A report is prepared by FNS annually that (1) assesses State agency progress in eliminating

abusive vendors, (2) assesses the level of activity that is being directed to ensure program integrity, and (3) analyzes trends over a 5-year period. The information is used at the national level in formulating program policies and regulations. At the FNS regional office level, the data is reviewed to identify possible vendor management deficiencies so that technical assistance can be provided to States, as needed. At the State level, the information is used to provide assurances to the Governor's office, and other interested parties, that WIC fraud issues are being addressed.

- 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, the data elements are collected 100 percent electronically from all WIC State agencies' automated information systems. TIP was integrated with the Supplemental Nutrition Assistance Program (SNAP) Store Tracking and Redemption System (STARS) and its data collection is submitted using the STARS/TIP database. The web site address to access TIP is <https://stars.fns.usda.gov/tip/>.

FNS estimates approximately 95 percent of all vendors authorized by the WIC Program are also authorized by SNAP. WIC State agencies are required to report the FNS authorization number when a vendor is authorized by both Programs. FNS has designed features in STARS to link database information from both SNAP and WIC authorized stores. Certain TIP data fields automatically populate with STARS data when a vendor is authorized by both

Programs. Also, FNS WIC Program staff can easily access data in STARS to obtain elements needed to characterize the WIC vendor population. This feature has eliminated the burden on State agencies to supply this data to FNS.

- 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. FNS is the sole government agency that monitors the WIC vendor monitoring efforts.

- 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 TIP data collection 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.

- 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 identify and correct State agency vendor management and monitoring deficiencies and to implement corrective actions.

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;**
  - **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 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-698, FNS-699 and FNS-700 (TIP) was published in the Federal Register on December 28, 2011, Volume 76, No.249, Pages 81471-81472. No comments were received in response to this notice.

State and regional officials provide ongoing advice or feedback on TIP. Annual training for State officials provides an excellent opportunity to discuss TIP and receive 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 83-1.**

Table 12.1 estimates of the annual hour burden for the Profile of Integrity Practices and Procedures (PIPP) Report (Form FNS-698). This document is a checklist that identifies the State agency's vendor management practices. After the initial report form is submitted, it is updated, as needed, in subsequent years. The number of respondents is 90 State agencies which is the affected public. FNS estimates that approximately 0.167 hours are spent per report and no more than 1 report per State agency is submitted per year totaling the burden hours requested at **15 hours**.

Next, Table 12.1 depicts The Integrity Profile (TIP) Report (Form FNS-699). This document provides summary information on authorized vendors. There are 90 State agencies annually reporting 1 time. The estimated number of hours spent per report - 0.0833 hours; FNS estimates the burden hours needed to comply with this requirement is **7.5 hours**.

Finally, Table 12.1 depicts the Vendor Record (Form FNS-700). This document provides information concerning each vendor operating as an authorized WIC vendor



at some point during the year. The STARS/TIP system stores and pre-populates information for vendors from the previous year’s submission. Therefore, State agencies only need to provide information for each new vendor they authorized during the fiscal year. There are 90 State agencies annually reporting 1 time. The estimated number of hours spent per report 0.167 hours; FNS estimates the burden hours needed to comply with this requirement is **15 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	FNS-698	90	1	90	0.167	15.03
	FNS-699	90	1	90	0.083	7.47
	FNS-700	90	1	90	0.167	15.03
Total		90		90		37.53

- **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 Profile of Integrity Practices and Procedures (PIPP) Report (Form FNS-698). The decrease in the hourly wage from the last submission reflects an update that considers improvements in State agency information technology systems and a change in the job classifications of the State staff responsible for the report. Data entry clerks are no longer used and the job classification of the staff person performing the data upload may vary by State. Therefore, we believe using the national average salary for all State employees provides the most accurate estimate. The median

hourly wage rate for State Agencies is estimated at \$23.43 per hour. The estimated annual salary of respondent is \$48,742\* and the estimated salary per hour ( $\$48,742/2,080$ ) is \$23.43\*. Total burden hours (0.167) multiplied by the total reports per year (90) and the salary per hour (\$23.43) is estimated at an annual cost of \$352.15.

Next, Table A.12.2 estimates the costs for The Integrity Profile Report (Form FNS-699). There are 90 State agencies reporting 1 time. The total burden hours (0.083) multiplied by the total reports per year (90) multiplied by the salary per hour (\$23.43) is estimated at an annual cost of \$175.02.

Finally, Table 12.2 estimates the costs for the Vendor Record (Form FNS-700). There are 90 State agencies reporting 1 time. The total burden hours (0.167) multiplied by the total reports per year (90) multiplied by the salary per hour (\$23.43) is estimated at an annual cost of \$352.15.

Total annual cost is estimated at \$879.32.

### 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	FNS-698	0.167	90	1	23.43	\$352.15
	FNS-699	0.083	90	1	23.43	\$175.02
	FNS-700	0.167	90	1	23.43	\$352.15
Total Annual Cost to Respondents			90			\$879.32

\*These salary estimates are the Mean Annual and the Mean Hourly wage estimates for State Government employees for calendar year 2009 obtained from the U.S. Department of Labor, Bureau of Labor Statistics (BLS). As of the date of this

submission, the 2009 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 \$14,527.14.

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. It also includes the cost of an FNS Headquarters staff member to oversee the program operation and management of the TIP program. The cost also accounts for the hours needed to analyze the data and to prepare a report for senior FNS management.

GS11, step 1 Regional Program Analyst = \$50,287\*

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

Hours spent at region = 41.6 hours (2 percent of time) multiplied by 7 regions = 291.2 total hours/year

Total hours (291.2) multiplied by the salary per hour (\$24.18) = \$7,041.22 total regional cost

GS12, step 1 Headquarters Program Analyst = \$74,872\*

Salary per hour ( $\$74,872/2080$ ) = \$35.99\*

Hours spent at headquarters = 208 hours (10 percent of time)

Total hours (208) multiplied by the salary per hour (\$35.99) = \$7,485.92 total headquarters cost

\*These salaries are the Annual and Hourly Rates obtained from the Office of Personnel Management Salary Table 2012-General Schedule, Effective January 2012.

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

This is an extension of a currently approved collection. The information collection burden remains unchanged. Also, the number of WIC State agencies has also remained the same since the last approval.

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

There are no plans to tabulate or publish any reports.

**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.