

Estimate of the Information Collection Burden for the
Special Milk Program (OMB #0584-0005)

This document explains the calculation of the information collection burden for the Special Milk Program under OMB #0584-0005 as submitted for the renewal of the existing regulation. A notice was published in the Federal Register on March 21, 2012, at page 16517. No comments were received in response to the agency's notice.

Section 215.2 defines "School Food Authority (SFA)" as the governing body which is responsible for the administration of one or more schools and which has the legal authority to operate a milk program therein. The term "School Food Authority" also includes a nonprofit agency to which such governing body has delegated authority for the operation of a milk program in a school.

AFFECTED PUBIC: STATE AGENCIES

REPORTING REQUIREMENTS

1. Section 215.5(a) requires that funds to be paid to any State shall be made available by means of Letters of Credit issued by FNS in favor of the State agency (SA). The State agency shall: (1) Obtain funds needed to reimburse School Food Authorities and child-care institutions through presentation by designated State officials of a Payment Voucher on Letter of Credit (Treasury Form GFO 7578) in accordance with procedures prescribed by FNS and approved by the U.S. Treasury Department; (2) submit requests for funds only at such times and in such amounts as will permit prompt payment of claims; (3) use the funds received from such requests without delay for the purpose for which drawn.

FNS estimates that there are 54 SAs that will each file 24 reports annually for a total of 1,296 responses ($54 \times 24 = 1,296$). The estimated average number of burden hours per response is 0.33 resulting in estimated total burden hours of 428 ($1,296 \times .033 = 428$).

This is a decrease of 24 burden hours due to the decrease in the number of SAs from 57 to 54.

2. Section 215.11(c)(2) requires that each SA shall also submit to FNS a quarterly Financial Status Report FNS-777, OMB Number 0584-0067, Expiration April 30, 2013, on the use of Program funds. Such reports shall be postmarked and/or submitted no later than 30 days after the end of each fiscal year quarter.

This burden has been transferred to the FNS-10, OMB Number 0584-0002, Expiration date August 30, 2012 which results in a decrease of 684 burden hours.

3. Section 215.11(c)(2) requires that each SA shall also submit to FNS a quarterly Financial Status Report (FNS-777, OMB Number 0584-0067, Expiration April 30, 2013) on the use of Program funds. Such reports shall be postmarked and/or submitted no later than 30 days after the end of each fiscal year quarter.

FNS estimates that there are 54 SAs that will each file 4 reports annually for a total of 216 responses ($54 \times 4 = 216$). The estimated average number of burden hours per response is 1.44 resulting in estimated total burden hours of 311.04 ($216 \times 1.44 = 311.04$).

This is a decrease of 17 burden hours due to the decrease in the number of SAs from 57 to 54.

4. Section 215.13(a) requires that, unless otherwise exempt, audits at the State and school food authority/child care institution levels shall be conducted in accordance with Office of Management and Budget Circular A-133 and the Department's implementing regulations.

This burden has been determined to be negligible and therefore removed which results in a decrease of 70 burden hours.

5. Section 215.13(b) Each State agency is required to respond to USDA/ OIG audits of the SA and of school food authorities/sponsors under the SA's jurisdiction.

This burden has been determined to be negligible and therefore removed which results in a decrease of 12 burden hours.

6. Section 215.16 that, whenever it is determined that a State agency has materially failed to comply with the provisions of this part, or with FNS guidelines and instructions, FNS may suspend or terminate the Program in whole, or in part, or take any other action as may be available and appropriate. A State agency may also terminate the Program by mutual agreement with FNS. FNS and the State agency shall comply with the provisions of 7 CFR part 3016, concerning grant suspension, termination and closeout procedures.

FNS estimates that there will be 54 SAs that will each file 2 reports annually for a total of 108 responses ($2 \times 54 = 108$). The estimated average number of burden hours per response is 1.44 resulting in estimated total burden hours of 156 ($108 \times 1.44 = 156$).

This is a decrease of 9 burden hours due to the decrease in the number of SAs from 57 to 54.

RECORDKEEPING REQUIREMENTS

1. Section 215.7 mandates application/recordkeeping requirements for SFAs and child care institutions participating in the Special Milk Program. Each SFA or CCI shall make written application to the State agency, or FNSRO where applicable, for any school or child-care institution in which it desires to operate the Program, if such school or child-care institution did not participate in the Program in the prior fiscal year.

FNS estimates that there will be 54 SAs that will each file 103.13 reports annually for a total of 5,569 responses ($54 \times 103.13 = 5,569$). The estimated average number of burden hours per response is 0.575 resulting in estimated total burden hours of 3,202 ($5,569 \times 0.575 = 3,202$).

This is a decrease of 1,456 burden hours due to the decrease in the number of SAs from 57 to 54.

2. Section 215.11(b)(2) requires SAs to conduct visits to participating SFAs and CCIs to ensure compliance with Program regulations and with the Department's nondiscrimination regulations (part 15 of this title), issued under title VI of the Civil Rights Act of 1964.

FNS estimates that there will be 54 SAs that will each file 23 reports annually for a total of 1,215 responses ($54 \times 23 = 1,215$). The estimated average number of burden hours per response is .25 resulting in estimated total burden hours of 304 ($1,215 \times 23 = 304$).

This is a decrease of 1,830 burden hours due to the decrease in the number of SAs from 57 to 54 and program adjustment.

3. Section 215.11(b)(3) states that SAs shall conduct reviews of SFAs/CCIs participating in the Program for compliance with the provisions of the Program. Compliance reviews of participants shall focus on the reviewed entity's compliance with the required certification, counting and milk service procedures.

FNS estimates that there will be 54 SAs that will each file 23 reports annually for a total of 1,215 responses ($54 \times 23 = 1,215$). The estimated average number of burden hours per response is 0.360 resulting in estimated total burden hours of 437 ($1,215 \times 0.360 = 437$).

This is a decrease of 363 burden hours due to the decrease in the number of SAs from 57 to 54.

4. Section 215.11(c)(1) requires each SA to maintain Program records as necessary to support the reimbursement payments made to child care institutions or School Food Authorities under § 215.8 and § 215.10 and the reports submitted to FNS under § 215.11(c)(2).

For revenue, FNS estimates that there will be 54 SAs that will each file 24 reports annually for a total of 1,328 responses ($54 \times 24 = 1,328$). The estimated average number of burden hours per response is 0.1 resulting in estimated total burden hours of 125 ($1,318 \times 0.01 = 125$).

For expenditures, FNS estimates that there will be 54 SAs that will each file 1,176 reports annually for a total of 63,504 responses ($54 \times 1,176 = 63,504$). The estimated average number of burden hours per response is 0.08 resulting in estimated total burden hours of 5,080 ($63,504 \times .08 = 5,080$).

This is a decrease of 7,475 burden hours due to the decrease in the number of SAs from 57 to 54.

5. Section 215.12 states that SAs shall disallow any portion of a claim and recover any payment made to a School Food Authority or child-care institution that was not properly payable. SAs will use their own procedures to disallow claims and recover overpayments already made. Each State agency shall maintain all records pertaining to action taken.

FNS estimates that there will be 54 SAs that will each file 2 reports annually for total of 108 responses ($54 \times 2 = 108$). The estimated average number of burden hours per response is 0.33 resulting in estimated total burden hours of 36 ($108 \times .33 = 36$).

This is a decrease of 1,218 burden hours due to the decrease in the number of SAs from 57 to 54 and program adjustment.

6. Section 215.13 requires that audits at the State and SFA/CCI levels shall be conducted in accordance with Office of Management and Budget Circular A-133 and the Department's implementing regulations at 7 CFR Part 3052.

FNS estimates that there will 54 SAs that will each file 1 report annually for total of 54 responses ($54 \times 1 = 54$). The estimated average number of burden hours per response is 0.25 resulting in estimated total burden hours of 14 ($54 \times 0.25 = 14$).

This is a decrease of 35 burden hours due to the deletion and merging of this burden to the following:

For follow-up activity, FNS estimates that there will be 54 SAs that will each file 1 report annually for a total of 54 responses ($54 \times 1 = 54$). The estimated average number of burden hours per response is .25 resulting in estimated total burden hours of 14 ($54 \times .25 = 14$).

This is a decrease of 2,376 burden hours due to the decrease in the number of SAs from 57 to 54 and program adjustment.

AFFECTED PUBLIC: SCHOOL FOOD AUTHORITY (SFA)

REPORTING REQUIREMENTS

1. Section 215.10(a) states that, to be entitled to reimbursement under this part, each SFA/sponsor shall submit to the State agency or FNSRO where applicable, a monthly Claim for Reimbursement. Section 215.10(b) further states that Claims for Reimbursement shall include data in sufficient detail to justify the reimbursement claimed and to enable the State agency to provide the Reports of School Program Operations.

This burden has been transferred to the FNS-10, OMB Number 0584-0002, Expiration date August 30, 2012 which results in a decrease of 42,187 burden hours.

2. Section 215.13(a) requires that, unless otherwise exempt, audits at the State and school food authority/child care institution levels shall be conducted in accordance with Office of Management and Budget Circular A-133 and the Department's implementing regulations.

FNS estimates that there are 5,569 SFAs that will each file 1 report annually for a total of 5,569 responses (5,569 X 1 = 5,569). The estimated average number of burden hours per response is 1 resulting in estimated total burden hours of 5,569 (5,569 X 1 = 5,569).

This is a decrease of 752 burden hours due to program adjustment.

RECORDKEEPING

1. Section 215.7(d)(1) requires each SFA or CCI approved to participate in the program to enter into a written agreement with the SA or FNSRO. Such agreement shall provide that the SFA or CCI shall, with respect to SFAs and CCIs under its jurisdiction, operate a nonprofit milk service.

This burden has been transferred to the FNS-10, OMB Number 0584-0002, Expiration date August 30, 2012 and results in a decrease of 2,075 burden hours.

2. Section 215.7(d)(8) requires each SFA or CCI approved to participate in the program to enter into a written agreement with the SA or FNSRO. Such agreement shall provide that the SFA or CCI shall retain the individual applications for free milk submitted by families for a period of three years after the end of the fiscal year to which they pertain, except that, if audit findings have not been resolved, the records shall be retained beyond the three-year period as long as required for the resolution of the issues raised by the audit.

This burden has been transferred to the FNS-10 ICR, OMB Number 0584-0002, Expiration date August 30, 2012 and results in a decrease of 2,075 burden hours.

3. Sections 215.7(d)(7) and 215.19(d) requires that, in submitting a Claim for Reimbursement, each SFA or CCI certify that the claim is true and correct; that records are available to support the claim; that the claim is in accordance with the existing agreement; and that payment therefore has not been received.

This burden has been transferred to the FNS-10 OMB Number 0584-0002, Expiration date August 30, 2012 and results in a decrease of 25,753 burden hours.

4. Section 215.14a require SAs and SFAs to comply with the requirements of this part and parts 3015, 3016 and 3019 of this title, as applicable, which implement the applicable Office of Management and Budget Circulars, concerning the procurement of all goods and services with nonprofit school food service account funds. The SFA or CCI may use its own procurement procedures which reflect applicable State or local laws and regulations, provided that procurements made with nonprofit school food service account funds adhere to the standards set forth in this part and §§3016.36(b) through 3016.36(i), 3016.60 and §§ 3019.40 through 3019.48 of this title, as applicable, and in the applicable Office of Management and Budget Circulars. SFA procedures must include a written code of standards of conduct meeting the minimum standards of § 3016.36(b)(3) or § 3019.42.

FNS estimates that there are 5,569 SFAs that will each file 1 report annually for a total of 5,569 responses ($5,569 \times 1 = 5,569$). The estimated average number of burden hours per response is 1 resulting in estimated total burden hours of 5,569 ($5,569 \times 1 = 5,569$).

This burden was merged above which results in a decrease of 1,509 burden hours.