

**OMB 83-1 SUPPORTING STATEMENT
FOR PAPERWORK REDUCTION ACT SUBMISSION**

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.

The Annual Vocational Rehabilitation Program/Cost Report (RSA-2) collects data on the vocational rehabilitation (VR) and supported employment (SE) program activities for agencies funded under the Rehabilitation Act of 1973, as amended (Rehabilitation Act). The RSA-2 captures:

- expenditures for the VR and SE programs by category;
- expenditures for the VR and SE programs by provider;
- expenditures for the VR and SE programs by numbers of individuals served;
- the costs of types of services provided;
- a breakdown of staff of the VR agencies;
- a breakdown of grant funds used from the current grant year;
- funds carried over from prior years; and
- funds carried over to future years.

These data are used to evaluate and monitor the financial performance and programmatic achievements of VR agencies.

The basic data comprising the Annual Vocational Rehabilitation Program/Cost Report (RSA-2) are mandated by the Rehabilitation Act. The Appendix to this document shows the applicable portions of the Rehabilitation Act which explicitly or implicitly require the recording and reporting of specific data elements by VR agencies to the Rehabilitation Services Administration (RSA).

Section 13 of the Rehabilitation Act requires the Commissioner to collect and report information specified in Section 101(a) (10) to the Congress and the President in an Annual Report. Section 626 requires the same information be reported for individuals who received SE services. Data on persons served also are needed to satisfy Section 131 calling for an exchange of data between RSA, the Social Security Administration (SSA), and the Department of Labor (DOL).

2. Indicate how, by whom, 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 RSA-2 is completed by state VR agencies electronically (see #3 below for more information). RSA has collected this data from states via the RSA-2 for over 20 years. The RSA-2 is designed to show how grant funds provided to state VR agencies have been spent by breaking their spending down by specific categories. This is the only source of detailed information on annual expenditures made by state VR agencies. Total expenditures from all funding sources -- federal funds, state matching funds, and funds

derived from other sources expended for VR and SE purposes and under the control of the state VR agencies -- are reported. RSA uses this data to:

- assist with setting agencies' VR goals and determine whether those goals are being achieved;
- set rehabilitation goals for state VR agencies;
- determine the average cost of the services the VR program provides;
- provide information necessary for the completion of ED's annual budget request;
- respond to inquiries from Congress, other federal agencies, states, organizations, and private individuals;
- respond to audits conducted by ED's Office of Inspector General and the General Accounting Office; and
- plan the distribution of federal funds for training and manpower development.

In addition, when this data is analyzed in conjunction with data collected through other instruments [(RSA-113 Quarterly Cumulative Caseload Report (Approved under OMB Control 1820-0013) and the RSA-911 Case Service Report (Approved under OMB Control number 1820-0508)], RSA can assess VR agencies' accomplishments and fiscal practices, and compare these to data from prior years. This assessment allows RSA to identify problem areas in need of more investigation.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision of adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

RSA has a Management Information System that agencies use to access the data collection directly through the internet by using the following URL: <http://rsamis.ed.gov>. All VR agencies submit their data in this manner.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use of the purposes described in Item 2 above.

The RSA-2 is the only source of data that provides RSA with detailed annual financial expenditure information. The SF-425 provides some financial information, but it is of such a general nature that it is not sufficient to meet the purposes described in #2 above.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

The collection of information does not involve small business or other small entities.

6. Describe the consequences 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.

The data cannot be collected less frequently than annually due to the fiscal year limitation on the use of federal funds by state VR agencies, because the data is used for the provision of ED's annual budget request, and because the previously mentioned report to Congress is due annually. The most important

use of the data is for monitoring state VR agencies. The need for that data collection could not be less frequently than annually in order to be as recent as possible.

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

- requiring respondents to report information to the agency more often than annually;
- 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 secrets, 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 that cause the RSA-2 to be conducted according to the bullets above.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), 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. Specifically address comments received on cost and hour burden.

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instruction and record keeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years - even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

RSA regularly consults with less than 9 members of the Council of State Administrators of Vocational Rehabilitation (CSAVR) and they support maintaining the RSA-2 in its current form. CSAVR represents the state VR agencies responsible for completing the RSA-2. In addition, a 60-day and a 30-day notice was published in the Federal Register for public comment, receiving none.

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

No payment or gift will be provided to respondents.

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

The data to be collected on the RSA-2 report are not of a confidential nature, there are no assurances of confidentiality.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and 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.

No sensitive data are required to be reported on the RSA-2.

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. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
- **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.**
- **Provide estimates of annualized cost to respondents of the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

The estimate of the burden of collection of information is 376 hours for 80 respondents submitting one report each per fiscal year (avg. 4.7 hours per submission). Since the data collected in the RSA-2 report are maintained by the State VR agencies, as part of their normal operations, the only burden factor considered was the amounts of time required to copy and enter the information onto the report format. The total cost to the state VR agencies is 376 hours x \$25.00 an hour = \$9,400.

13. Provide an estimate 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 estimate 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. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage**

facilities.

- If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.
- Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.

This collection does not require capital cost, start-up costs, maintenance costs or the purchase of services for the respondents. The summary data required is already maintained for the purpose of maintaining its federal grant. There are no additional costs for this RSA-2 report.

14. Provide estimates of annualized cost to the federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.

Annual cost to federal government: 50 hours X \$35/hour = \$1750
Annual federal computer costs: = \$18,250

Estimated annual cost to the Federal Government is \$20,000. To arrive at this cost, we considered the following factors: amortization of the cost of modifying an existing computerized system, computer cost, terminal rental, data entry time, the manual verification of the printed output, printing cost and mailing and distribution costs.

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

There is a program change decrease of -9 total burden hours, the RSA-2 decreased burden by eliminating two schedules and replacing with seven data elements; with the replacement of these seven data elements for the two schedule sections, there is a decrease of burden on the respondent.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

Data from the RSA-2 is used in monitoring agency performance and for the Annual Report to the Congress required by Section 13 of the Rehabilitation Act.

The RSA-2 report is either submitted by the state agency via RSA's MIS or by RSA staff from a mailed form. These submissions in the MIS are reviewed by RSA staff and are then either approved or sent back

to the agency for correction and/or revision. The RSA-2 data is approved based on the reviewer's familiarity with the agency as well as by RSA's analysis of differences with prior year data. When the 80 agency submittals have been approved, the database of all submittals are published for display in the MIS.

The due date for the RSA-2 is December 31. The approval process is time-intensive and state agency submittals are frequently late, adding to the timeline needed for an approved and useable database. The anticipated date of approval is March 31 or three months following the required submittal date. The use of the data contained in the RSA-2 for monitoring reports will generally be available immediately from RSA's MIS, but may take a month or more for specialized queries.

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 for OMB approval will be displayed.

18. Explain each exception to the certification statement identified in Item 20, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.

We made no exceptions to the certification statement identified in Item 20, "Certification for Paperwork Reduction Act Submissions."

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This information collection does not employ statistical methods.

Appendix

How the Data Collected via the RSA-2 Address Statutory Requirements of the Rehabilitation Act of 1973, as amended

1. Section 3(b) of the Rehabilitation Act requires RSA to "take whatever action is necessary to ensure that funds appropriated pursuant to this Act are expended only for the programs, personnel, and administration of programs carried out under this Act."

Schedule I of the RSA-2¹ captures the total amount of money, under the control of and expended by state VR agencies, including determining if the state agencies have met the mandatory formula grant matching requirement specified in Sections 7(14)(A) and the amount of excess state funds expended in support of the VR program.

Schedule II on the RSA-2 report provides a cost breakdown of the various services provided which serve multiple VR client needs in the administration of the public VR program. These data are collected for several purposes, including both programmatic and financial operations/expenditures tracking. For program management, the data provide a meaningful and critical insight into the extent to which mandatory services are provided by a state program and by the VR program nationally. For fiscal management purposes, the data permit state agencies

¹ For the remainder of the appendix, a reference to a "schedule" means a schedule on the RSA-2.

and RSA to assess the impact of expenditure levels for specific services on outcomes for agency clientele.

2. Section 13 requires that the RSA Commissioner submit an annual report that is full and complete to the President and Congress.

Information in the RSA-2 is necessary for this annual report. Two of the most critical activities carried out under the Act are the expenditure of appropriated monies in furtherance of the goals of the Act and the provision of a variety of services to individuals with disabilities. Schedules I, II, IV, and V provide the bases upon which to inform the Congress fully and completely about these activities. These schedules call for dollars expended and the number of persons in receipt of service types for the fiscal year in question. RSA believes that the categories listed on Schedules I, II, IV and V satisfy the letter and spirit of the "full and complete" provision in Section 13(a).

3. Section 14(a) articulates a requirement for the conduct of cost/benefit studies when it says “. . . their general effectiveness in relation to their cost . . .” Additionally, OMB has mandated that total dollars must be used in such cost/benefit analyses.

The proper evaluation of program effectiveness (and impact) requires determination of the relationship between program outcomes and program inputs. Three of four major program inputs are contained on the RSA-2. These are expenditures by categories, types of services provided and rehabilitation agency manpower and are found on Schedules I, II, III, IV and V of the RSA-2.

Determining effectiveness includes more than the obvious goal of the program, i.e. to rehabilitate persons with disabilities. Included would be, for example, such important goals as:

- (a) holding within reasonable bounds, the amount and proportion of expenditures devoted to agency overhead or to construction activities (and away from client services);
- (b) lowering, if necessary, amounts of money spent on and the number of clients in receipt of medical services since these services often indicate cases of persons who are not significantly disabled or who needed only a remedial medical service that could have been provided elsewhere; and
- (c) increasing, if necessary, the number of persons receiving on-the-job training, a service which has proven to be a valuable by-product of governmental and private sector cooperation.

Additionally, OMB requires that RSA project future capacity given proposed budget levels. This requires knowledge of the total amount of money available to and spent by state agencies. This projection activity would not produce sound estimates if millions of state VR agency dollars which are used to take clients into the caseloads, and to serve and rehabilitate them, are not completely accounted for. The availability of these data permits more effective and accurate budget projections to be made.

4. Section 101 provides that the Commissioner be assured that services providable under the Act are being provided in accordance with the individualized plan for employment. (Section 101(a)(9) (B)). Sections 103(a)(1) through (18) and 103(b)(1) through (6) identify and define those services which are available to eligible individuals by VR agencies under the Act.

The data collected on Schedule II measure the extent to which the listed services are provided by the state VR agencies in helping individuals with disabilities achieve employment outcomes.

5. Section 103(b)(2)(A) further includes as a service: "The establishment, development, or improvement of community rehabilitation programs, including, under special circumstances, the construction of a facility."

The data collected on Schedule I, Items 3a) and 3b) of the RSA-2 are needed by RSA to determine the extent to which VR community rehabilitation programs are established and track the extent to which this service is provided. Data relative to expenditures made by state agencies on behalf of individuals with disabilities receiving services in community rehabilitation programs is monitored through the RSA-2 report.

6. Sections 101(a)(24)(A) and (B) require the use of for-profit and non-profit organizations for the provision of services for the rehabilitation of individuals with disabilities.

The extent of such use is measured by the collection of the data on lines 2.B.1 through 2.B.4 on Schedule I of the RSA-2.

7. Section 103(a)(5) requires that no training services in institutions of higher education be paid for with funds from this title unless maximum efforts have been made to secure grant assistance from other funding sources.

The RSA-2 report contains data on the number of clients trained and funds expended for this purpose. These data are analyzed by RSA staff and used to monitor the extent to which VR funds are used for training purposes.

On a related topic, the person-years reported on the RSA-2 are used as the basis for distributing discretionary training funds for in-service training of state agency personnel and for Rehabilitation Continuing Education Programs. This method of distributing these training funds has proven equitable.