

## Supporting Statement for Paperwork Reduction Act Submissions

A. Justification for Drug Free Workplace Program (DFWP) grantees to submit required reports.

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 Drug-Free Workplace program (DFWP), which is codified at section 27 of the Small Business Act, 15 U.S.C. 654, was established on October 21, 1998, by Title IX of Public Law 105-277. Under this program the U.S. Small Business Administration (SBA) is authorized to award grants to eligible intermediaries (also referred to as grantees) who in turn provide financial and technical assistance to small businesses seeking to establish drug-free workplace programs. Grantees also educate working parents on how to keep their children drug-free. SBA works closely with the Office of National Drug Control Policy (ONDCP), the Departments of Labor (DOL) and Health & Human Services (HHS), to develop among other things the reporting requirements for the DFWP.

The DFWP grantees are required to submit quarterly reports to the SBA in accordance with Section VI(B), Award Administration Information, of the Program Announcement issued in FY2010 (See attached Enclosure 1 for copy of FY2010 Program Announcement). Like other SBA award recipients, DFWP grantees are required to submit standard financial and performance reports along the lines discussed in OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations, and 13 C.F.R. Part 143, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. In addition, to these standard reports, the ONDCP in a letter dated April 29, 2004 (enclosure 2) is now requiring the SBA to supply additional information regarding the effectiveness of the program in reducing drug use in the workplace. This information requires that the Grantees collect information from the small businesses that receive assistance and provide that information to the SBA. Below are the additional requirements:

- number of businesses that had an increase in: employee turnover, absenteeism, tardiness, insurance premiums, damaged or stolen property, productivity, and workplace accidents;
- number of businesses that had a decrease in employee turnover; absenteeism, tardiness, workplace accidents, insurance premiums, damaged or stolen property, productivity;
- number of businesses that remained unchanged in employee turnover; absenteeism, tardiness, workplace accidents, insurance premiums, damaged or stolen property, productivity.

Note: The FY 2010 is the most recent Program Announcement issued and covers a two year grant period with one optional two year grant period. The DFWP program is no longer receiving new funding. However, the current funding and performance by the grantees will continue through the end of FY 2013.

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 information is used to report the accomplishments of the DFWP Program to ONDCP to assist that office in carrying out its responsibilities in accordance with the Drug Control Strategy for the Nation's anti-drug efforts; for budget planning purposes; and to Congress. The information is used by the SBA Program Manager/Director of the DFWP to oversee the recipient, recipient representatives and to ensure compliance with the grant terms and conditions. The SBA has used this information for the purpose of determining whether the goals and objectives as specified in the Program Announcement and the Paul D. Coverdell Drug Free Workplace Act of 1998 are met, and whether the tax-payers monies are spent properly and in support of the program.

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.

The use of automated, electronic, mechanical, or other technological collection techniques are used in a variety of ways to organize and prepare the collection of information. The program announcement gives the recipient the option to submit reports electronically, as well as an attachment to electronic mail. Additionally, the SBA has a web page devoted to the DFWP where respondents report on their progress.

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

The reports do contain minimal duplication (such as name, address, etc.) to facilitate identification of the client (the small business concern). Additionally, while subsequent reports may require the same type of information, each set of data is unique to the reporting period.

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 reports are prepared by the various SBA DFWP grant recipients, which could include for-profit, non-profit, state and local governments. The data collected minimally impacts small businesses directly. Each grant recipient decides how it is going to collect the required information, whether by written survey, telephone call, email or by other means. Special care is taken to limit inquiries to only necessary information for each small business as SBA reviews each survey.

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 reduce burden.

The data being collected is required by ONDCP and if not collected or was collected less frequently than stipulated in the Program Announcement and Notice of Award, SBA would not have the information necessary to determine the grant recipient's compliance with the terms and condition of the Request for Proposal. Further, if the information is not collected then the ability to evaluate its program would be greatly impaired.

7. Explain any special circumstances

No special circumstances exist.

8. Federal Register Notice

A Federal Register Notice (76 FR 6508) was published on February 4, 2011. No comments were received. (Enclosure 3)

9. Payment or Gift to Respondents

SBA will not provide any payment or gift to respondents, other than re-enumeration of contractor or grantees.

10. Assurances of Confidentiality

Any confidential or sensitive information that is collected will be protected from disclosure to the extent permitted by law, including the Freedom of Information Act, 5 USC 552 and the Privacy Act, 5 USC 552a. In addition, the Agency restricts access to the information collected to those personnel with a need to know.

11. Questions of a sensitive nature

No questions of a sensitive nature are asked.

12. Estimates of Hourly and Cost Burden

Even though there are currently only 7 grantees, the approval of this paperwork reduction act submission is still being sought because a new program announcement is being issued this year (FY 2008) and will most likely increase the number of grantees to ten or more.

The estimate of the 4 hours per report is based on small survey of grant recipients.

Respondent	10
<u>Responses per year</u>	<u>x 4 (reports)</u>
Total	40 annual responses

Response 40  
Burden hours \_\_\_\_\_ x 4 hours per report  
**Total annual burden hours = 160**

The cost burden is calculated using an average of salaries of Program Managers. This person contributes to writing, gathering information, reviewing and proofreading the reports submitted.

Average salary of Program Directors is \$75,000 (approx. \$39.06 per hour)

\$39.06 per hour x 160 hours = \$6,249.60 total cost burden

13. Start up or Capital costs

There are no additional costs other than the ones cited above.

14. Costs to the Federal Government

A Program Manager with an average salary of a GS-14, step 5 with an hourly rate of \$57.13 reviews and provides a summary of the reports submitted. Each review takes approximately 1 hour. \$57.13 x 1 hours x 160 responses = \$9,140.80 annual cost to the Federal Government.

15. Program Changes or Adjustments

There is a slight increase in the burden hours due to an increase in the number of grantees.

16. Publication of Information Collection

No publication is anticipated.

17. Expiration Date

SBA is not seeking a waiver from the requirement to display the expiration date the information collection.

18. Exception to the Certification

There is no exception to the certification statement identified in Item 19 of OMB Form 83-I.

B. Collection of Information Employing Statistical Methods

Not Applicable.