

**Supporting Statement for Paperwork Reduction Act
Special Nutrition Programs (SNP)**

**Justification for Adding
Summer Electronic Benefit Transfer for Children (WIC Model) Demonstration Project
and Summer Electronic Benefit Transfer for Children (SNAP Model) Demonstration
Project
to List of Approved Programs Using Uniform Grant Application for
Non-Entitlement Discretionary Grants,
OMB Control Number 0584-0512**

1. Circumstances making the collection of information necessary.

Public Law 118-80, The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriation Act of 2010, enacted on October 21, 2009, allocated \$85 million to the USDA Food and Nutrition Service (FNS) to carry out demonstration projects to develop and test methods of providing access to food for children in urban and rural areas during the summer months when schools are not in regular session to: (a) reduce or eliminate the food insecurity and hunger of children; and (b) to improve the nutritional status of children. FNS plans to award grants under two models. The Summer Electronic Benefit Transfer for Children (WIC Model) demonstration project will be testing household-based methods of delivering nutrition assistance to low-income children during the summer, by using the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) electronic benefit transfer (EBT) technology as the delivery mechanism for summers 2011 to 2013. The Summer Electronic Benefit Transfer for Children (SNAP Model) demonstration project will be testing household-based methods of delivering nutrition assistance to low-income children during the summer, by using the Supplemental Nutrition Assistance Program (SNAP) electronic benefit transfer (EBT) technology as the delivery mechanism for summers 2011 to 2013. Demonstration funds may be used by selected States

to pay: participant benefits, added administrative expenses incurred by participating organizations as a result of participating in the demonstration, and costs associated with outreach to potential participants and potential sponsoring organizations.

FNS intends to competitively award demonstration project funds to State Agencies that have agreements with FNS to administer the National School Lunch Program (NSLP), Summer Food Service Program (SFSP), SNAP or WIC programs. A lead agency for the demonstration project must be identified by the State applicant; FNS will accept applications from only one eligible State agency per State. Each applicant will be required to submit a proposal to FNS describing the demonstration project proposal and associated budget. A panel of experts from FNS will evaluate and score each proposal received, and make a final determination of the best proposals for the demonstration. As part of the review and subsequent award process, FNS will seek information from the applicants that includes a description of their proposed approach to the proposal, budget projections, and staffing capabilities and levels. The information to be collected is not mandated by law or regulation.

FNS will post the Request for Application (RFA) packages for the *Summer Electronic Benefits Transfer for Children (WIC Model)* and the *Summer Electronic Benefits Transfer for Children (SNAP Model)* on its website on or about August 2010 at www.fns.usda.gov/cnd/summer and on www.grants.gov.

2. Purpose and Use of the Information.

The primary users of the information collected from the applicants are FNS staff who will serve on a panel to systematically review, evaluate and approve the demonstration project/cooperative agreement applications and recommend the State Agencies most likely to meet program objectives and most responsive to the solicitation. The selection criteria are contained in the RFA package. This process will occur only once this year.

3. Use of Information Technology and Burden Reduction.

In compliance with E-Government Act 2002, FNS offers applicants the opportunity to receive and provide information electronically. Applicants may receive the RFA package by downloading the application from www.fns.usda.gov/cnd/summer or from the www.grants.gov website. Additionally, applicants may apply for this opportunity directly through www.grants.gov. Standard forms required SF-424, SF-424A, SF-424B, AD-1047, AD-1048, AD-1052 and SF LLL are fillable and can be submitted online at www.grants.gov. Applicants that send in their applications via mail or courier are required to submit an original hard copy and two copies of their proposals to the address listed on the RFA. FNS will not accept emailed or faxed applications. FNS will require each grantee to submit quarterly and final Financial Status Report using SF- 425 and SF-425A. The Recipient is required to enter the SF-425 and SF-425A reporting information into the Food Program Reporting System (FPRS) at www.fprs.fns.usda.gov.

4. Effort to Identify Duplication and Use of Similar Information.

There is no similar data collection effort available. This program solicitation is new and unique.

5. Impacts Small Businesses or Other Small Entities.

The information request is held to the minimum amount required.

6. Consequences for Collecting the Information Less Frequently.

FNS will seek minimal information that will be critical in selecting the most promising grantees. Reduced frequency is not possible. The consequence for not collecting the information is the inability to award demonstration project funds as requested by Congress in The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriation Act of 2010.

7. Special Circumstances Relating to the Guideline of 5 CFR 1320.5.

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

8. Comments in Response to the Federal Register Notice and Efforts to Consult Outside Agency.

A 60-day notice was published in the Federal Register on August 20, 2008, (Volume 73, Number 162, page 49159-49160) soliciting comments on FNS's intent to request Office of Management and Budget (OMB) approval for a uniform grant application package for FNS discretionary grant programs that is a revision of the previously approved package. FNS received one public comment in response to the Federal Register notice.

To determine the feasibility and level of interest in this demonstration project, conference calls were conducted with stakeholder groups in June of 2010. These groups included State Education agencies, WIC State agencies, State EBT directors, and local school food authorities (SFAs). Additionally, FNS staff often discusses the availability of the various grant opportunities and the grant application requirements with potential applicants at various national or regional meetings.

9. Explanation of Any Payment or Gift to Respondents.

There are no plans to provide cash payments or gifts to respondents.

10. Assurance of Confidentiality Provided to Respondents.

Provision of the information requested is entirely voluntarily. The collection of this information is for the purpose of aiding in the review of applications prior to demonstration project selection decisions and for management of the demonstrations. This information will be used within FNS and may also be disclosed outside FNS as permitted by the Privacy Act under certain situations, including disclosures to the public as required by the Freedom of

Information Act. All activities associated with the agreement respect the existing policy with regard to confidentiality. FNS will work with the demonstration project selectees and ensure that any release of such information is done under the terms and conditions of the existing Freedom of Information Act which requires that selectees provide release permissions and are informed of the use of the information.

11. Justification for Sensitive Questions.

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

12. Estimate of Burden Hours Including Annualized Hourly Costs

FNS estimates that approximately fourteen (14) respondents will submit an application for the demonstration projects. It is estimated that the average applicant will spend 150 hours designing and constructing their proposals. This is based on the general fact that applicants will have about three months to complete their proposals.

A.12.1 Estimate of Burden Hours on Respondents

Type of Respondent	Estimated No. of Grant/CA Applications (Responses)	Frequency of Response	Total Annual Responses	Estimated Time to Complete each Application	Total Estimated Burden Hours
Grantee Pre-award (State Agencies) WIC Model	4	1	4	150	600
Grantee Pre-award (State Agencies) SNAP Model	10	1	10	150	1500
Total	14	-	14	-	2100

Respondents have a full range of discretion in how they design and develop a proposal. FNS has provided guidance in the RFA on the information that is needed to evaluate the proposals and select the most promising grantees. Hourly estimates identified above are used as the basis for determining total annual cost burden to respondents of the application.

Post-award burden hours are based on the production of the quarterly, annual and final progress reports and financial reports that are submitted to FNS by the grantees selected for the project. The reports are routine in nature and only request necessary information to monitor the progress and funds spent during the period of performance of the cooperative agreement. FNS estimates that 7 grantees will be awarded funds.

Post-Award Action	Number Respondents	No. Annual Response	Total Annual Response	Hours per Response	Total Annual Burden
Quarterly Progress and Financial Reports	7 Grantees selected	4	28	10	280
Annual Report	7	1	7	15	105
Final Report (progress and financial)	7	1	7	20	140
Total Hours	-	-	-	-	525

The total pre and post-award burden hours are 2,625.

A.12.2 Estimates of Annualized Cost to Respondents

Type of Respondent	Number of Respondents	Average Time per Response (hours)	Frequency of Response	Hourly Wage Rate	Total Respondent Cost
Grantee Pre-award	14	150	1	\$40	\$84,000

FNS estimates that each respondent will utilize at least one full time member at a cost of \$40 per hour. The range for this estimate may vary significantly but FNS believes the cost-per-hour estimate is the most practicable. Wage rates were determined using the May 2009, State government employee occupational code 11-3031, State Financial Manager, from the <http://www.bls.gov/bls/wages.htm> website.

Total Pre-award cost to the public is 2,100 hours x \$40.00 hourly wage = \$84,000.

Pre-award costs are one-time only costs.

Total Post-award annual costs for routine reporting are 525 hours x \$40.00 = \$21,000. Post award costs are annual costs for the duration of the project.

13. Estimates of Other Total Annual Cost Burden to Respondents or Record Keepers.

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

14. Annualized Cost to the Federal Government.

Costs are estimated for two categories:

(1) Grant costs are expected of about \$1.8 million for the WIC Model projects, based on the assumption of one to three awards, and about \$2.7 million for the SNAP Model projects, based on the assumption of two to four awards, for a total of 4.5 million. Actual awards will depend on how many grants are funded on a competitive basis and the merits of the proposals received.

(2) FNS staffing costs, which are identified below.

The processing and reviewing the applications is estimated to cost \$48,174. This is based on an estimate of a total of 62 hours of labor to process *each* application package. The estimate assumes an hourly cost per staff person of \$55.50 per hour (the average salary for GS-13 grade level including overhead and benefits). This labor estimate includes 6 hours by

grants management staff to process an application, 48 hours total by 5 FNS staff to conduct a thorough technical review of each application, and 8 hours by the panel chairperson to document the technical reviews and prepare the recommendations for award. Assuming 14 applications will be received, it is anticipated that 868 hours will be needed to process and review these applications. Costs other than salary costs are negligible.

Total hours:	868 hours
Total Annualized Cost to the Federal Government:	\$ 48,174

15. Explanation for Program Changes or Adjustments

There are no changes of the information collection since the last OMB approval.

16. Plans for Tabulation and Publication and Project Time Schedule.

FNS will publicize summary information of the applicants that receive grant funding at www.fns.usda.gov/cnd/summer.

17. Reason(s) Display of OMB Expiration Date Is Inappropriate.

The agency plans to display the expiration date for OMB approval of the information collection on all instruments.

18. Exception to Certification for Paperwork Reduction Act Submissions.

There are no exceptions to the certification statement.