

SUPPORTING STATEMENT FOR
“Status of Claims Against Households (FNS 209)”
OMB No. 0584-0069

Kelly Stewart, Program Analyst

**Supplemental Nutrition Assistance Program
Program Accountability and Administration Division
State Administration Branch**

**Park Office Center, Room 816
3101 Park Center Drive
Alexandria, VA 22302
703-305-2425**

E-Mail: Kelly.Stewart@fns.usda.gov

Table of Contents

Part A Justification	1
A.1 Explanation of Circumstances That Make Collection of Data Necessary.....	3
A.2 How the Information Will Be Used, By Whom, and For What Purpose.....	3
A.3 Use of Improved Information Technology to Reduce Burden.....	4
A.4 Efforts to Identify and Avoid Duplication.....	5
A.5 Efforts to Minimize Burden on Small Businesses or Other Entities.....	5
A.6 Consequences of Less Frequent Data Collection.....	5
A.7 Special Circumstances Requiring Collection of Information in a Manner Inconsistent with Section 1320.5(d)(2) of the Code of Federal Regulations.....	6
A.8 Federal Register Comments and Efforts to Consult with Persons Outside the Agency.....	7
A.9 Payments to Respondents.....	7
A.10 Assurance of Confidentiality.....	7
A.11 Questions of a Sensitive Nature.....	8
A.12 Estimates of Respondent Burden.....	8
A.13 Estimates of Other Annual Costs to Respondents.....	9
A.14 Estimates of Annualized Government Costs.....	10
A.15 Changes in Hour Burden.....	11
A.16 Time Schedule, Publication, and Analysis Plans.....	11
A.17 Display of Expiration Date for OMB Approval.....	11
A.18 Exceptions to Certification Statement.....	11

List of Attachments

Appendix A: FNS-209, Status of Claims Against Households

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 statement supports the request for an extension without change of a currently approved information collection related to Form FNS-209, Status of Claims Against Households (OMB Number: 0584-0069; Expiration Date August 31, 2012). The Food and Nutrition Act of 2008 and regulations require an appropriate procedure for accounting for the collection of Supplemental Nutrition Assistance Program (SNAP) overpayments. Sections 11, 13 and 16 of the Food and Nutrition Act of 2008 (the Act), and appropriate SNAP regulations are the basis for the information collected on the FNS-209. Section 13 of the Act and the regulations at 7 CFR 273.18 require State agencies to establish, collect and manage overpayments against households. Section 16 of the Act provides for State agencies to retain a portion based on a pre-determined percentage of what is collected for certain types of claims. Finally, Section 11 of the Act requires State agencies to submit reports and other information that is necessary to determine program compliance. The regulations at 7 CFR 273.18 (m)(5) require that the FNS-209 report serve this purpose for SNAP recipient claims. The report is also the means for State agencies to determine the appropriate retention amount as well as return net collection amounts to the Food and Nutrition Service (FNS).

- 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate how the agency has actually used the information received from the current collection.**

This information will be used by:

- State agencies to ascertain aggregate claim balance and collections for determining overall performance, the collection amounts to return to FNS and claim retention amounts.
- FNS to receive collections and report collection activity to Treasury.

SNAP regulations at 7 CFR 273.18 require that State agencies establish, collect and efficiently manage SNAP recipient claims. Paragraph 7 CFR 273.18 (m)(5) requires State agencies to submit at the end of every quarter the completed Form FNS-209, Status of Claims Against Households. The information required for the FNS-209 report is obtained from a State accounting system responsible for establishing claims, sending demand letters, collecting claims, and managing other claim activity. In general, State agencies must report the following totals on the FNS-209: the current outstanding aggregate claim balance; claims established; collections; any balance and collection adjustments; and the amount to be retained for collecting non-agency error claims. The burden associated with establishing claims (demand letters) and the Treasury Offset Program, both of which are also used to complete the FNS-209, are already approved under OMB burden numbers 0584-0492, expiration date 9/30/2014 and 0584-0446, expiration date 2/28/2013, respectively.

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.

FNS is required to comply with the E-Government Act of 2002. State agencies have the authority to use information technology that best suits the needs of their individual and

possibly unique systems of operations to comply with this information collection. Every State agency employs an automated system to tabulate and maintain claims activity. State agencies have the option to enter this data directly into the FNS Food Programs Reporting System (FPRS) without submitting a paper copy. In the 4th quarter of FY 2011, one hundred percent (100%) of the respondents submitted the FNS-209 electronically to FPRS at <https://fprs.fns.usda.gov> for reporting.

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 Question 2.

There are no similar data collection efforts available.

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 information collected is limited to data necessary to comply with statutory requirements and to protect Program integrity. There is no unnecessary burden imposed on respondents.

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.

If this data is collected less often than quarterly, it would delay the Federal collection of the Federal share of the monies recovered by the State agency. FNS would not be able to effectively monitor the collection and recovery of program funds or protect the integrity of the program. One of the primary purposes of this report is to return amounts collected from claims for overissuances to the Federal Government. While FNS pays for the benefits issued to households, State agencies establish and collect the claims for overissuances for FNS. State agencies are allowed to retain 35 percent (35%) of the dollar amount of

fraud intentional program violation (IPV) and 20 percent (20%) of the inadvertent household error (IHE) of the collections from households as a reward for their collection activity but must return the bulk of the collections to the Federal Government. State agencies report on the FNS-209 the total amount collected and the dollar amount they are allowed to keep as a reward. The report allows FNS to determine its share of the collections and to recover that amount from the State agency.

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 1320.6.

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 instructions and recordkeeping, 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 years. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

The 60-day Federal Register Notice was published on April 3, 2012 (77 FR 20004). We received no comments on the proposed information collection. Over the years, periodic and ongoing informal discussions with State agencies have indicated that they support the use and format of the current FNS-209 report.

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

No payments or gifts to respondents are provided under this information collection.

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

Section 11 (e)(8) of the Act and implementing regulations at 7 CFR 272.1 limit the use or disclosure of information obtained from applicant households to persons directly connected with either the administration or safeguarding the integrity of SNAP. Information reported on the FNS-209 does not identify recipients by name and therefore ensures privacy.

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.

This information collection does not ask any questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information. Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated.

A) 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-I.

The estimated administrative and clerical staff time necessary for the accumulation and tabulation of the number and dollar value of claims established against households are based on the national average. The burden is also based on national claims collection activity from FY 2011 reporting period(s). The estimated quarterly burden for each of the 53 State agencies totals 140 minutes or 2.33 hours to accumulate and total the data; and an additional 40 minutes (.67 hours) for consolidation, computation and submission of the report to FNS. This results in a total estimated burden of 180 minutes (3 hours) per quarter for each State agency.

Table A. Reporting Burden Hour Estimates

Type of Respondents	Forms	Number of Respondents	Number of Responses per Respondent	Total Annual Responses	Est. Total Hours per Response	Est. Total Burden Hours
State Agencies						
Accumulation and Tabulation	FNS -209	53	4	212	2.33	494
Consolidation and Submission	FNS -209	53	4	212	0.67	142
Total Reporting Burden Estimates		53	4	212	3.00	636

B.) Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories.

Table B. Estimates of Annualized Cost to Respondents.

Type of Respondents	Number of Respondents	Frequency of Responses	Average Time Per Response	Hourly Wage Rate	Total Respondent Cost
State Agencies (Clerical Staff)	53	4	3.0	\$8.12	\$5164

The cost to the public is based on \$16.24 per hour. The rate to State agencies after 50 percent reimbursement by FNS is \$8.12. Based on these figures the total cost to respondents after FNS reimbursement is \$5,164. The total previous cost to respondents was \$4,840. The costs in this submission have been updated from the previous submission because of reevaluation and modifications in the hourly rate of Bureau of Labor Statistics data. To estimate public cost, FNS consulted with the U.S. Department of Labor’s May 2011 Occupational and Wage statistics – 43-30111 Bill and Account Collectors (<http://www.bls.gov/oes/current/oes433011.htm>).

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 questions 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 and/or annualized maintenance cost associated with this burden.

14. Provide estimates of annualized cost to the Federal government. 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.

The annual cost to the Federal Government to collect and use the data for the FNS-209 is estimated at \$193,533. This cost includes (1) reviewing and approving the data, data entry and retrieval, and monitoring the data; (2) automated system costs; and (3) the Federal share of State agencies' burden costs to report the data. The Federal employee cost per hour of \$27.31 is based on the calendar year 2012 hourly wage of a GS-11, Step 5. These costs are operational costs only. The total previous costs were \$194,942. Previous submission included the cost of printing forms which has been removed.

STATE COSTS					
ACTIVITY	BURDEN HOURS	COST PER HR	STATE COSTS (PRIOR TO FED COST SHARING)	STATE SHARE	FEDERAL SHARE OF STATE COSTS
FNS-209	636	\$16.24	\$10,329	\$5,164	\$5,164
TOTAL STATE COSTS	636	\$16.24	\$10,329	\$5,164	\$5,164

FEDERAL							
ACTIVITY	PRINTING COSTS	HOURS REVIEWING, APPROVING & MONITORING	COST PER HR	COSTS REVIEWING, APPROVING & MONITORING	AUTOMATED SYSTEM COSTS	FEDERAL SHARE OF STATE COSTS	TOTAL FEDERAL COSTS
FNS-209	\$0	636	\$27.31	\$17,369	\$171,000	\$5,164	\$193,533
TOTAL FEDERAL COSTS	\$0	636	\$27.31	\$17,369	\$171,000	\$5,164	\$193,533

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

This is a request for an extension without change of a currently approved information collection.

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

This data is included in the annual SNAP State Activity Report that is produced for and used by FNS for analysis and evaluation purposes. The report is also published on the USDA FNS website at <http://www.fns.usda.gov/pd/snapmain.htm>. The report is published in the first quarter of the calendar year for the previous fiscal year.

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

18. Explain each exception to the certification statement identified in Item 19 of the OMB 83-I" Certification for Paperwork Reduction Act."

This information collection conforms to the requirements of 5 CFR 1320.9. There are no exceptions to the certification statement.