Supporting Statement: SBA Direct and Community

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 mission of the Small Business Administration (SBA) is to maintain and strengthen the Nation's economy by enabling the establishment and vitality of small businesses, and by assisting in the economic recovery of communities after disasters. To support that mission, the agency seeks to improve the economic environment for small businesses by protecting, strengthening and effectively representing the Nation's small businesses. This includes helping to minimize the regulatory burden facing these businesses and making information and services readily accessible to meet their needs.

SBA uses many channels to provide access to information, including the Internet. SBA.gov was redesigned for the purpose of promoting agency programs and giving business owners, prospective business owners, and lenders a single access point to information at multiple levels of government - federal, state, and local. This redesign of SBA.gov was in part a response to the President's memorandum, "Transparency and Open Government (January 21, 2009) that called for federal agencies to "establish a system of transparency, public participation, and collaboration." In developing the related information collection SBA adhered to the OMB guidance on Social Media, Web-Based Interactive Technologies and the Paperwork Reduction Act (April 7, 2010), and to the extent practicable has minimized the information that will be requested.

Two new features were introduced with the launch of SBA.gov that continue to be used on the site are: SBA Direct and SBA Community. SBA Direct uses a set of filters to produce search results from pages listed on SBA.gov while SBA Online Community allows users to review and add comments that span small business-related topics. Users have the option to register through SBA.gov if they want to interact with community members by providing comments. This is done through an SBA Universal Login System (ULS). The ULS has since been expanded to include access to a new Small Business Plan creation tool, and in the future, other tools that SBA may develop for site visitors to customize their online experience.

SBA Direct:

SBA Direct is an optional feature of SBA.gov that helps bring customized, relevant SBA.gov information directly to the user. SBA will be using persistent cookies, and the collection is considered Tier 2 usage, since we are utilizing multi-session web measurement technology that does not collect any personally identifiable information (PII). The usage of this technology is in-line with the OMB M-10-22 guidance, including disclosure in the SBA.gov Privacy Policy, and access to information that is comparable to users with cookies disabled.

From the main SBA Direct page, the user is asked to select which Business Topics he or she is interested in. The system then directs them to the SBA Direct results page, which displays the top 6 results based on which checkboxes the user selected, and the user is given the option to narrow the choices further using filters on the right hand side including the Business Topics, whether they fall into a particular audience (Woman, Minority, etc.), and Kind of Business (Online, Home Based, etc.). SBA Direct does not provide different information than what is already available on the SBA.gov website; it simply brings relevant information to the user in a customized interface. SBA Direct uses persistent cookie technology so that they do not have to re-enter the answers to questions every time they log onto SBA.gov.

SBA intends to collect the following specific information from SBA Direct users:

1. Relevant Business Topics – *From the main SBA Direct page, the user selects which business topics they are interested in by selecting the checkboxes next to the available options. The options they may select from include:*

- Starting a business
- Getting a loan
- Government contracts
- Disaster assistance
- Online training
- Laws & regulations
- Marketing your business
- Exporting & importing

In addition, once they reach the SBA Direct results page, the users can select from the following options and suboptions in response to the question 'What Business Topics Are You Interested In?:

- Starting a Business
    - o Thinking About Starting
    - o Create Your Business Plan
    - o Preparing Your Financing
- Loans, Grants & Funding
    - o Small Business Loans
    - o Grants
    - o Disaster Loans
    - o Venture Capital
    - o Surety Bonds
- Mentoring & Training
    - o Small Business Learning Center
    - o Finding a Mentor
    - o Local Assistance
- Contracting
    - o Getting Started
    - o Size Standards
    - o Contracting Opportunities
    - o Contracting Officials
- Business Laws & Regulations
    - o Registering Your Business
    - o Taxes & Finance Law
    - o Employment & Labor Law
- Running a Business
    - o Leading Your Company
    - o Growing Your Business
    - o Marketing
    - o Insurance
    - o Disaster Planning
    - o Exiting Your Business
- Exporting & Importing

2. Tell Us About Yourself (Check all that apply) – *The user provides this information by selecting checkboxes next to the available options. For this information request, the user is selecting the categories that best suit their position as a small business owner. This information is collected so that SBA can provide information to the user that is specific to the user's attributes.*

- Woman
- Minority

- Veteran
- Native American
- Service Disabled Veteran
- Potential Business Owner
- Established Business Owner
- Senior (50+)

3. What Kind of Business Do You Have? (Check all that apply) – *The user provides this information by selecting checkboxes next to the available options. For this information request, the user is selecting the categories that best suit their position as a small business owner. This information is collected so that SBA can provide information to the user that is specific to the user's attributes.*

- Online Business
- Self-Employed
- Home Based
- Franchise Business
- Rural Business Owner
- Technology Start Up
- Green Business
- Non-Profit Organization

SBA Community:

SBA Community is also an optional feature of SBA.gov which allows users to contribute to SBA.gov by posting success stories, comments, or questions in an online forum interface. Users can choose to create customized profiles, so that other users can see their location, industry, etc. All SBA.gov users have the ability to view SBA Community content without creating an online user account; however they are not able to create or respond to postings. SBA collects aggregate information from the information collected from the user account creation process - however the information is collected in a manner so that it will not be tied back to an individual.

To sign up for the optional SBA.gov ULS user account, users must supply the following non-sensitive personally identifiable information:

1. Username *(A username is necessary to maintain a unique identity within the SBA Community)*
2. Password *(A password is necessary to ensure that the user has control over their unique account)*
3. E-mail Address *(An e-mail address is necessary to verify the user during the account creation process, and to allow for direct e-mail communication with the user from system administrators for password resets, alerts, and other notifications. They may also choose whether to have their email visible to everyone, to logged-in users, or only to administrators.)*

The user is also asked to supply the following information, but it is not necessary to create an account:

1. Name (*The user's name)*
2. Title *(The user's job title)*
3. Location *(The user's location)*
4. Professional Web Site URL *(The user's professional website address)*
5. Professional Web Site Title (*The title for the user's professional website)*
6. About Me *(Other miscellaneous information about the user)*

This information is provided voluntarily by the user, and is not required for use of SBA.gov Community or to create a SBA Community user account. It allows other members of the SBA Community to have a better understanding of the user's small business background, region, and other provided information. The user also has the option of providing a Signature and a Picture:

1. Signature *(This section is a freeform area, where the user can include any information such as name, industry, etc. to be a "signature" at the bottom of their forum posts)*
2. Picture *(The user's virtual face or picture, to be displayed alongside their posts)*

Users registering/logging into the SBA.gov site via the ULS will also be able to use an optional business plan tool which allows them to create an online business plan. The business plan tool provides users the ability to save their work and return to their online business plan whenever they would like to make updates to it.

None of the information entered by users is used by SBA. It's a free tool we make available to users who signup via the community registration process. In addition, site visitors do not have access to view or create a business plan without creating an online account via the community. Upon login, users can only view their own business plan.

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.
SBA's websites enable entrepreneurs, lenders, small business owners, and prospective business owners to save time and money by providing them with tools to find information they need from local, state, and federal government and a forum to learn from their peers and industry experts.

Information collected by SBA Direct enables users to receive data specific to their needs/request. The aggregate of this data will also enable SBA to understand what information the majority of users are looking for. This information will assist the agency with its planning and decision-making processes to improve the quality of web-oriented products and services for the small business community.

Information collected for the SBA Community serves two primary purposes. First it enables users to register to access/use the Community. Secondly, the feedback and comments left by Community users will also help SBA provide better information to its constituents. Feedback received on the SBA Community forums may spur supplements to existing SBA website content/features, or incite new content/features based on user needs. This will be an ongoing process of measuring customer satisfaction, and using that information to refine or redefine processes accordingly.

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 adoption this means of collection. Also describe any consideration of using information technology to reduce burden.

All information will be collected electronically through SBA.gov. Office of Management and Budget's Memorandum 10-22 (OMB M-10-22): Guidance for Online Use of Web Measurement and Customization Technologies, dated June 25, 2010 allows the use of web measurement and customization technologies, including persistent cookies.

As a result, SBA.gov will use persistent cookie technology to store user entered information to reduce burden of collecting the same information multiple times.

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.

There is no duplication of information as this is SBA's initial submission of an Information Collection Request (ICR). SBA does not currently collect this information.

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.

SBA has prepared this ICR as a means of improving the agency's delivery of products, services and information online. The ICR will impact small business, as entrepreneurs and small business owners are the target audience of SBA.gov. Information collected through SBA Direct, SBA Community and business plan tool will represent the minimum burden necessary in order for users to access these tools. Participation is voluntary and the frequency for individual respondents is essentially "once." This is achieved through the use of persistent cookies, which saves the user information, so that they do not have to re-enter the information the next time they access SBA.gov.

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.

Absence of the information provided by willing participants would impact SBA's ability to carry out its mission and the mandates of Executive Order 12862, as well as President Obama's January 21, 2009, memorandum on transparency in government.

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 statue 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;**
- **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.**

Not applicable - no special circumstances will be applicable to this information collection.

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 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.

A notice for public comment was published in the Federal Register on June 25, 2010 at 74 FR 36451. The comment period closed on August 24, 2010. SBA received no comments.

http://www.federalregister.gov/articles/2010/06/25/2010-15367/data-collection-available-for-public-comments-and-recommendations#p-4

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

Not Applicable. SBA will not provide any payment or gift to respondents.

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

SBA Direct: Does not request personally identifiable information. SBA will not be collecting any PII for SBA Direct, therefore a SORN will not be needed. However, as indicated above, SBA is disclosing, via the SBA.gov Privacy Policy, the use of Tier 2 web measurement cookies.

Online Registration for the Community and business plan tool: *The minimum information required to register online will be Username and Email Address; however, users will have the option of providing other information as described in question number 1 above.* At the time of registering for an SBA.gov Community account, users will be asked to agree to accept the terms of service, which is displayed prior to gaining access to the community page. In the Terms of Service, users will be notified that confidentiality of their information will be protected to the extent permitted by law. However SBA.gov is not able to protect personally identifiable information voluntarily posted to the Community by the user. Users will be warned to only provide personally identifiable information when registering for an account and not to give out sensitive or personally identifiable information in any other manner.

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.

Not applicable - no sensitive questions will be asked of SBA Direct or SBA Community users.

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 for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contraction out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

The SBA Direct function is basically used as a search filter, and the user only needs to select the business topics that interest him or her, so the amount of time to provide information for each respondent is negligible.

Approximately 125000 users created an SBA account in the last year via the ULS, and we estimate that it takes the user about 90 seconds to answer the questions, which results in 3125 hours annually.

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.

- 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 purchasing or 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.

Not Applicable. Creating SBA Direct and SBA Community accounts is fully automated, so there is no associated annual cost burden to respondents. Record keeping of SBA Direct and SBA Community is handled by the pre-existing IT infrastructure established for the redesigned SBA.gov, and remains an automated service. Therefore, there is no associated annual cost burden to record keepers.

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.

SBA Direct is a fully automated function of SBA.gov, and will have no annualized cost to the Federal Government due to equipment, overhead, printing, or support staff. SBA Direct utilizes the existing hardware and software infrastructure of SBA.gov. The SBA Direct program is a feature that stems from

built-in functionality of Drupal, which is the existing open-source (free) content management system used for SBA.gov.

SBA Community also utilizes the existing hardware and software infrastructure of SBA.gov through built-in functionality of Drupal (similar to SBA Direct). However, SBA Community, due to its open communication platform, will require SBA employees to moderate its contents.

SBA has calculated that up to one full time employee will be required for adequate moderation of SBA Community. Typically, expertise equivalent to a GS-10, Step 1 ($56,857 annual salary adjusted for Washington DC region) will be required to review and moderate content within SBA Community.

The annual rate of one GS-10 Step 1 employee = **$56,857 Total estimated annual cost to the Federal Government.**

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

Since the Community has been up and running for quite some time, the level of effort to support moderation has been adjusted downward to no more than one FTE and, as a result, reflects a lower cost.

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.

Not Applicable. Collections of information for SBA Direct and SBA Community and any associated results of data collection for those optional features will not be tabulated or published.

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.

Not Applicable. There is no reason why displaying the expiration date for OMB Approval would be inappropriate.

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

Not applicable. There are no exceptions to the certification.