

2014 SUPPORTING STATEMENT
Rural Business Opportunity Grant Program
OMB NO. 0570-0024

A. Justification

1. Explain the circumstances that make the collection of information necessary.

The Rural Business Opportunity Grant (RBOG) program was authorized by section 741 of the Federal Agriculture Improvement and Reform Act of 1996, Public Law 104-127. The RBOG program awards funds to organizations to provide business development services and training and to develop strategic plans for communities and regions. This program is administered by the Rural Business-Cooperative Service (Agency). The Agency collects information from applicants in order to confirm eligibility for the program and to evaluate the quality of the applications. Grantees are required to submit reporting and payment request information to facilitate monitoring of the program and disbursement of funds. The Agency is requesting an extension of the Office of Management and Budget approval of the requirements associated with 7 CFR 4284-G.

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.

Information is collected by Rural Development State and Area office staff, as delegated, from applicants and grantees. The application information is used to confirm that the applicant and use of funds meet the eligibility requirements for the program as well as to assess the quality of the proposed project. The grantees are required to submit financial status and performance reports to confirm funds are being expended as approved and requests for advance or reimbursement to request payment.

PAPERWORK REQUIREMENTS - FORMS

Form AD-1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters – Primary Covered Transactions," to be completed once at the time of grant award. This form is submitted by the grantee and is used by the Agency to confirm that the applicant organization and its principles are not debarred, suspended, or otherwise excluded from receiving Federal assistance.

Form AD-1048, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters – Lower Tier Covered Transactions," to be completed each time the grantee will be entering into financial transactions with third-parties using grant or matching funds. This form is completed by any sub-grantees or sub-contractors and is used by the Agency to confirm that these organizations are not debarred, suspended, or otherwise excluded from receiving Federal assistance.

Form AD-1049, “Certification Regarding Drug-Free Workplace Requirements (Grants),” to be completed once at the time of grant award. This form is submitted by the grantee and is used by the Agency to confirm that the grantee will provide a drug-free workplace in accordance with 7 CFR 3017.600.

Form RD 400-4, “Assurance Agreement” (OMB No. 0575-0018), to be completed once at the time of application. This form is submitted by the grantee and used by the Agency to ensure that the grantee is in compliance with Title VI of the Civil Rights Act of 1964.

Form RD 1940-1, “Request for Obligation of Funds” (OMB No. 0570-0062), to be completed once at the time of award. This form is submitted by the grantee and used by the Agency to obligate funds.

Form RD 1942-46, “Letter of Intent to Meet Conditions” (OMB No. 0570-0062), to be completed once at the time of award. This form is submitted by the grantee and used by the Agency to ensure that the grantee is aware of the conditions of the award and that the grantee intends to meet them within a reasonable time.

RD 4280-2, “RBS Grant Agreement” (OMB No. 0570-0067), to be completed once at the time of award. This form is signed the grantee and used by the Agency to ensure that the grantee is aware of the conditions of the award.

PAPERWORK REQUIREMENTS - NO FORMS

Organizational documents, to be submitted once at the time of application. These documents are submitted by the applicant and used by the Agency to assess the eligibility of the applicant organization and to determine that the applicant is a legal entity with authority to make commitments and perform the activities proposed in the application. They also indicate who is officially in control of the applicant organization.

Scope of work, to be completed once at the time of application. This narrative is completed by the applicant and used by the Agency to document how the grant funds will be used and what will be accomplished. This information is important for evaluating the application and also for monitoring recipients to ensure that funds are used for the purpose for which they were approved.

Narrative, to be completed once at the time of application. This narrative is completed by the applicant and provides additional information, beyond what is provided in the scope of work, about the need for the project, the service area, the applicant’s ability to accomplish the planned activities, who will be assisted, what impact is expected, and how the work will be performed. The information is used by the Agency to properly evaluate each application and to determine eligibility.

Financial statements and audit (if available), to be submitted once at the time of application. These documents are submitted by the applicant and used by the Agency to determine that the

applicant is solvent and financially capable of meeting its financial obligations during the grant period.

Evaluation method, to be completed once at the time of application. This information is provided by the applicant and is used by the Agency to ensure that a method exists for evaluating the success or failure of each grant, and that the applicants have input in determining how they will be evaluated.

Intergovernmental Review comments, to be submitted once at the time of application. These comments, obtained by the applicant through contact with the State Single Point of Contact, are required to comply with Executive Order 12372 and used by the Agency to ensure that the proposed activity is not in conflict with strategic plans of State and local governments.

Performance Report, to be completed on a quarterly basis. This narrative is completed by the grantee and used by the Agency to confirm that progress is being made toward achieving the approved objectives and tasks of the project.

Final Report, to be completed once at the completion of the period of performance. This narrative is completed by the grantee and used by the Agency to confirm that the approved objectives and tasks of the project were completed. Quantitative information (e.g. jobs created, businesses assisted) may also be used to assess the success of the program.

Project Evaluation Report, to be completed once one year after the completion of the period of performance. This narrative is completed by the grantee and used by the Agency to assess the effectiveness of the work performed by the grantee.

FORM BURDEN APPROVED UNDER OTHER OMB NUMBERS

Form SF-424, “Application for Federal Assistance” (Common Form) (4040-0004), to be completed once at the time of application. This form is submitted by the applicant and is used as a required cover sheet for federal grant programs. It includes places for the applicant to record required information, such as Employer Identification Number, DUNS number, and CCR information.

Form SF-LLL, “Disclosure of Lobbying Activities” (OMB No. 4040-0013), to be completed once at the time of grant award. This form is submitted by the grantee and is used by the Agency to obtain disclosure of lobbying activities on the part of the grantee.

Form SF-425, “Federal Financial Report” (OMB No. 4040-0014), to be completed on a quarterly basis. This form is submitted by the grantee so that the Agency can confirm that funds are being expended as approved.

Form SF-270, “Request for Advance or Reimbursement” (OMB No. 4040-0012), to be completed no more frequently than monthly. This form is submitted by the grantee to request advance or reimbursement of grant funds obligated under the grant agreement.

Form RD 1940-20, “Request for Environmental Information” (OMB No. 0575-0094), to be completed once at the time of grant award. This form is submitted by the grantee and is used by the Agency to evaluate any potential environmental impact of the proposed project.

RECORDKEEPING REQUIREMENTS:

USDA Administrative Requirements require that financial records, supporting documents, statistical records and all other records pertinent to the award will be retained for a period of at least three years after the period of performance has ended. Records must be retained beyond three years if audit findings have not been resolved.

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.

Applicants are encouraged, but not required, to submit applications through Grants.gov. The Agency estimates that 30 percent of applications are submitted electronically. Grantees are encouraged, but not required, to submit quarterly reports electronically. The Agency estimates that more than 50 percent of responses are submitted electronically.

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 Agency makes every effort to administer programs using the standard forms where possible; however, certain parts of the application are unique to the proposed project and performance and project evaluation reports are unique to the projects administered under each grant. The Agency has several grant programs that are similarly administered. If there is simultaneous participation in more than one program, the Agency would make every effort to accommodate the requests within the same set of applications and processing forms.

5. If the collection of information impacts small businesses or other small entities (item 5 of OMB Form 83-1), describe any methods used to minimize burden.

The collection of information does not impact small businesses or other small entities.

6. Describe the consequences to Federal program or policy activities if the collection is not conducted or conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The reporting burden is consistent with the minimum information necessary to monitor recipient performance. Without collecting the listed information, the Agency cannot be assured that the applicants meet the statutory requirements for eligibility, that the grantees will have the capacity to provide the intended services, and that the grantees are providing services in accordance with the approved scope of work.

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

- a. Requiring respondents to report information more than quarterly. There are no information requirements that require reporting on more than a quarterly basis.
- b. Requiring written responses in less than 30 days. There are no information requirements that require specific reporting in less than 30 days.
- c. Requiring more than an original and two copies. There are no information requirements that require more than an original and two copies.
- d. Requiring respondents to retain records for more than 3 years. There are no requirements to retain records for more than 3 years, unless an audit finding has not been resolved.
- e. Not utilizing statistical sampling. There is no requirement to not use statistical sampling.
- f. Required use of statistical sampling which has not been reviewed and approved by OMB. There is no requirement to use statistical sampling that has not been reviewed and approved by OMB.
- g. Requiring a pledge of confidentiality. There is no requirement for a pledge of confidentiality.
- h. Requiring submission of proprietary trade secrets. There is no requirement for submission of proprietary trade secrets.

8. If applicable, identify the date and page number of publication in the Federal Register of the agency's notice soliciting comments on the information collection. Summarize public comments received and describe actions taken by the agency in response to these comments. 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, reporting format (if any), and on data elements to be recorded, disclosed, or reported.

As required by the Paperwork Reduction Act of 1995, a notice was published on November 13, 2013 [Vol. 78, No. 219, page number 68022]. No comments were received.

Additionally, three recipients were surveyed regarding the length of time needed to prepare the scope of work, the project narrative, evaluation methods, the quarterly performance reports, and the final report. All other requirements are forms, or information or documents that should be readily available (e.g. articles of incorporation, annual audit). Because there are three different funding accounts for the program that target three different categories of recipients, one recipient from each type of account was surveyed. Only one response was received. The information reported was scope of work (8-10 hours), project narrative (16-24 hours), evaluation method (2-4 hours), quarterly performance reporting (2-4 hours), and final performance reporting (6-8 hours).

The three recipients are:

Northeastern Vermont Development Association
Post Office Box 630
St. Johnsbury, Vermont 05819

Northwest Native Development Fund
14 Moses Street
Nespelem, Washington 99155

Scott County Economic Development Corporation
821 South Lake Road South
Scottsburg, Indiana 47170

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

There are no payments or gifts to respondents, other than remuneration of contractors or grantees.

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

No assurance of confidentiality was provided to respondents.

11. Provide additional justification for any question of a sensitive nature, such as sexual behavior or attitudes, religious beliefs, and other matters that are commonly considered private.

There is no collection of any information that would considered sensitive in nature or commonly considered private.

12. Provide estimates of the hour burden of the collection of information.

The estimated total hours of burden on the public are 17,965 (rounded down).

The dollar amounts used for the wage grade come from mean wages from the Bureau of Labor Statistics, May 2012 National Occupational Employment and Wage Estimates

United States (http://www.bls.gov/oes/current/oes_nat.htm). Mean wages by occupation for the following classes: 11-1021 (General and Operations Manager - \$55.22), 11-3031 (Financial Manager - \$59.26), 11-9199 (Managers, All Other - \$50.79), 13-1000 (Business Operations Specialists - \$32.66), 19-3011 (Economists - \$47.83), and 43-3031 (Bookkeeping, Accounting, and Auditing Clerks - \$17.62). Because of the variety of occupations who contribute time for application and reporting requirements, it is impossible to calculate a simple average for the mean wage rate. However, it is expected that the higher level management staff at an organization will contribute the bulk of the time necessary to prepare the required information. Thus, the mean wage rate is weighted toward the manager-level wage rates. The total cost to respondents or recordkeepers resulting from this collection of information is \$898,263.

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information.

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

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

The estimated annualized cost to the Federal Government is \$209,948.83. A total of 5,429 hours is estimated for processing applications, preparing award documents, monitoring awards, and national office oversight.

Salary was determined using a Grade 12 (step 5 – rest of the U.S. rate), Loan Specialist, a Grade 13 (step 5 – Washington, D.C. locality) Management and Program Analyst, and a Grade 7 (step 5 – rest of the U.S. rate), Loan Technician (amounts based on the 2013 OPM rates). The costs were adjusted to reflect new processes that are used because the internal administration of the program was transferred from Business Programs to Cooperative Programs.

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

There was an overall increase in the number of hours by 261 which is due in part to an increase in the number of respondents. Information previously collected within other written format items will now be collected for ease of review and uniformity by using RD forms. Burden also increased because four forms (RD 400-4, RD 1940-1, RD 1946-46, and RD 4280-2) were added in the overall burden of the package. In the past the Agency included the forms but did not account for the associated form burden, which was included in the package of the OMB control number assigned to each form. In order to account for the total program burden, the Agency has moved towards account for all paperwork form burden that is not listed as a Standard Form. The Agency also removed the common form (SF-424) burden, since the common form package accounts for the Agency's use of the form under OMB control number 4040-0004.

16. For collection of information whose results will be published, outline plans for tabulation and publication.

This collection of information will not be 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.

No exemption is being requested.

18. Explain each exception to the certification statement identified in item 19 on OMB 83-I.

No exceptions are requested.

19. How is this information collection related to the Service Center Initiative (SCI)? Will the information collection be part of the one stop shopping concept?

This information collection is not related to the SCI and it will not be part of the one stop shopping center.