

SUPPORTING STATEMENT
FOR PAPERWORK REDUCTION ACT SUBMISSION

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 hard copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information, or you may provide a valid URL link or paste the applicable section. Please limit pasted text to no longer than 3 pages. Specify the review type of the collection (new, revision, extension, reinstatement with change, reinstatement without change). If revised, briefly specify the changes. If a rulemaking is involved, make note of the sections or changed sections, if applicable.**

The Rehabilitation Services Administration (RSA) is requesting approval for an extension without change of the 704 Report (1820-0606).

Sections 704(m)(4)(D), 706(d), 721(b)(3) and 725(c) of the Rehabilitation Act of 1992, as amended, and the corresponding regulations at 34 CFR parts 364, 365, and 366 require centers for independent living (CILs), Statewide Independent Living Councils (SILCs) and designated State units (DSUs) to submit an annual performance report (704 Report) to the Commissioner of the Rehabilitation Services Administration (RSA) to receive funding under the SILC (IL Part B) and CIL (IL Part C) programs. RSA's approval of grantees' 704 Reports is the major prerequisite for the granting of annual IL Part B and IL Part C continuation funding. The Rehabilitation Act is available at the following web link: <http://rsa.ed.gov/display.cfm?pageid=279>. Corresponding regulations are available at <http://cfr.regstoday.com/34cfr364.aspx>, <http://cfr.regstoday.com/34cfr365.aspx>, and <http://cfr.regstoday.com/34cfr366.aspx>.

RSA has continued to monitor the implementation of the IL program's Government Performance and Results Act (GPRA) performance measures. No issues have arisen, as the accuracy of the collected performance data continues to improve as a result of ongoing RSA technical assistance to its grantees. RSA is monitoring stakeholder efforts to develop alternative performance measures. At this time RSA is not proposing any performance measure modifications because suitable alternatives have not yet been developed. Also, modifications to the performance measures would not be advisable this year given the uncertainties related to the pending reauthorization of the Rehabilitation Act.

- 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.**

Part I of the 704 Report is submitted annually by the SILC and DSU in all states receiving Part B funds. Part II of the 704 Report is submitted annually by all CILs receiving IL Part C funds. The 704 Reports are used by RSA to assess grantees'

compliance with title VII of the Act, with sections 364, 365 and 366 of the Code of Federal Regulations and with applicable provisions of the Education Department General Administrative Regulations (EDGAR). The 704 Report serves as the primary basis for RSA's monitoring activities in fulfillment of its responsibilities under sections 706 and 722 of the Act. The 704 Report also enables RSA to track performance outcomes and efficiency measures of the SILS and CIL programs with respect to the annual and long-term performance targets established in compliance with GPRA. The 704 Report is also used by RSA to design CIL and SILC training and technical assistance programs authorized by section 721 of the Act.

- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision of adopting this means of collection. Also describe any consideration given to using technology to reduce burden.**

RSA has endeavored to make the 704 Report easy for grantees to complete and submit. Beginning with the FY 2008 reporting period, grantees have completed and submitted the 704 Report directly through the RSA Management Information System (MIS). The MIS has expanded RSA's capacity to achieve its program improvement and public accountability goals for the IL programs. RSA is using MIS data to improve IL grantees' program performance and accountability. The MIS produces detailed reports about IL grantee performance based on each of the 704 Report data elements. RSA analyzes individual and/or comparison data for grantees. The analysis allows RSA to identify grantees that may require monitoring and/technical assistance. RSA uses this information during its on-site reviews of CILs and state agencies.

- 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 704 Report is submitted annually and is a unified collection instrument covering a wide range of reporting requirements. It is the only data collection instrument used for this purpose.

- 5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden. A small entity may be (1) a small business which is deemed to be one that is independently owned and operated and that is not dominant in its field of operation; (2) a small organization that is any not-for-profit enterprise that is independently owned and operated and is not dominant in its field; or (3) a small government jurisdiction, which is a government of a city, county, town, township, school district, or special district with a population of less than 50,000.**

The current 704 Report was significantly simplified and streamlined in 2006. Though the instrument is unchanged from 2006, grantees' actual burden has been reduced through RSA's continual 704 Report training and technical assistance and customer-friendly improvements in the RSA MIS.

- 6. Describe the consequences 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.**

Federal statute and regulations require the annual collection of this information. If the data collection were not conducted, RSA would not be authorized to fund the SILS or CIL programs authorized by title VII of the Act.

- 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;**

None.

- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**

None.

- **requiring respondents to submit more than an original and two copies of any document;**

None.

- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**

None.

- **in connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of study;**

None.

- **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**

None.

- **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 that unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**

None.

- **requiring respondents to submit proprietary trade secrets, 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.**

None.

- 8. As applicable, state that the Department has published the 60 and 30 Federal Register notices as 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.

N/A

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instruction 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.

No comments were received during the 60 and 30-day public comment periods for the 704 Report.

The current 704 Report was developed and approved after extensive RSA outreach to IL stakeholders. RSA conducted a series of meetings and teleconferences involving CIL, DSU and SILC representatives as well as other interested parties to ensure that stakeholders understood the new performance measures. This outreach effort included nine state and regional teleconferences featuring the participation of SILC, CIL and state agency representatives, as well as the RSA IL unit supervisor's participation at plenary presentations/question & answer sessions at National Council on Independent Living (NCIL) board meetings, Association of Programs for Rural Independent Living (APRIL) national conference, and the SILC Congress. In addition to these outreach activities, RSA convened a workgroup of CIL directors, DSU staff and SILC representatives to recommend further improvements in the 704 Report.

RSA has also begun organizing the process of eliciting stakeholder input for a comprehensive 704 Report revision and testing prior to the next data collection renewal period.

- 9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees with meaningful justification.**

None.

- 10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. If personally identifiable information (PII) is being collected, a Privacy Act statement should be included on the instrument. Please provide a citation for the Systems of Record Notice and the date a Privacy Impact Assessment was completed as indicated on the IC Data Form. A confidentiality statement with a legal citation that authorizes the pledge of confidentiality should be provided. Requests for this information are in accordance with the following ED and OMB policies: Privacy Act of 1974, OMB Circular A-108 – Privacy Act Implementation – Guidelines and Responsibilities, OMB Circular A-130 Appendix I – Federal Agency Responsibilities for Maintaining Records About Individuals, OMB M-03-22 – OMB Guidance for Implementing the Privacy**

Provisions of the E-Government Act of 2002, OMB M-06-15 – Safeguarding Personally Identifiable Information, OM:6-104 – Privacy Act of 1974 (Collection, Use and Protection of Personally Identifiable Information). If the collection is subject to the Privacy Act, the Privacy Act statement is deemed sufficient with respect to confidentiality. If there is no expectation of confidentiality, simply state that the Department makes no pledge about the confidentiality of the data.

There are no assurances of confidentiality.

- 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. The 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.**

None.

- 12. Provide estimates of the hour burden of the collection of information. The statement should:**

- Indicate the number of respondents by affected public type (federal government, individuals or households, private sector – businesses or other for-profit, private sector – not-for-profit institutions, farms, state, local or tribal governments), frequency of response, annual hour burden, and an explanation of how the burden was estimated, including identification of burden type: recordkeeping, reporting or third party disclosure. All narrative should be included in item 12. 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.**

The 704 Report's estimated hour burden per respondent each for the Part I (IL Part B) and Part II (IL Part C) in 2014 remain unchanged at 35 hours from 2011, because the current data collection instrument is identical to the one approved in 2011.

The total estimated hour burden of 14,420 annual hours also remains the same because the number of respondents, 412, has not changed since the 2011 approval.

If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in the ROCIS IC Burden Analysis Table. (The table should at minimum include Respondent types, IC activity, Respondent and Responses, Hours/Response, and Total Hours)

The aggregate total hour burden for 412 Parts I and II 704 Report is estimated at 14,420, as follows:

704 Report, Part I

Fifty-six IL Part B grantees will spend an estimated 35 hours completing the 704 Report, Part I, for an estimated total of 1,960 hours per year.

704 Report, Part II

Three hundred and fifty-six IL Part C grantees will spend an estimated 35 hours completing the 704 Report, Part II, for an estimated total of 12,460 hours per year.

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

The cost during the year in which the 704 Report is submitted is estimated to be 14,420 hours x \$25/hour = \$360,500.

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 acquiring and maintaining record storage facilities.**
- **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 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. Also, these estimates should not include the hourly costs (i.e., the monetization of the hours) captured above in Item 12**

Total Annualized Capital/Startup Cost:

Total Annual Costs (O&M):

Total Annualized Costs Requested:

No additional costs are incurred by respondents other than those specified in #12.

- 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.**

The average review and approval of a 704 Report takes approximately one half-hour. RSA staff reviewing the completed reports is paid at an average rate of \$50 per hour. The cost of the review and approval process is estimated at 0.5 hour x \$50 per hour x 412 reports = \$10,300 annually. No additional operational expenses are expected.

- 15. Explain the reasons for any program changes or adjustments. Generally, adjustments in burden result from re-estimating burden and/or from economic phenomenon outside of an agency's control (e.g., correcting a burden estimate or an organic increase in the size of the reporting universe). Program changes result from a deliberate action that materially changes a collection of information and generally are result of new statute or an agency action (e.g., changing a form, revising regulations, redefining the respondent universe, etc.). Burden changes should be disaggregated by type of change (i.e., adjustment, program change due to new statute, and/or program change due to agency discretion), type of collection (new, revision, extension, reinstatement with change, reinstatement without change) and include totals for changes in burden hours, responses and costs (if applicable).**

There are no program changes or adjustments to this data collection request.

- 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.**

Upon Office of Management and Budget approval, RSA plans to formally transmit the approved 704 Report with instructions to SILCs, DSUs and CILs by September 2014. RSA staff will review and approve all corresponding 704 Reports by March 31, 2015. (The submission due date is December 31, 2014.) The 704 Report data will be tabulated, verified for accuracy and published in the RSA MIS by May 1, 2015.

- 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 OMB expiration date will be displayed.

- 18. Explain each exception to the certification statement identified in the Certification of Paperwork Reduction Act.**

There are no exceptions to the certification statement.