

SUPPORTING STATEMENT

WIC FARMERS' MARKET NUTRITION PROGRAM (FMNP)  
ANNUAL FINANCIAL AND PROGRAM DATA REPORT AND  
FMNP REGULATION  
REPORTING AND RECORDKEEPING

OMB No. 0584-0447

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## 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.**

### **WIC Farmers' Market Nutrition Program (FMNP) Regulation:**

This is a revision of a currently approved information collection request. The program has revised and consolidated FNS Forms 683 Worksheet (Financial Report) and 203 Worksheet (Program Report) which will streamline the reporting process. Additionally, with this consolidation, FNS 203 will become obsolete and the revised FNS 683 is renamed Annual Financial and Program Data Report. The remaining reporting burden for FNS 683 is contained in The Food Programs Reporting System (FPRS) OMB Control No. 0584-0594, Expiration Date: 6/30/2017. A change justification has been submitted and approved for the revised FNS 683 and will be submitted as a supplemental document for this collection.

The FMNP is authorized by Section 17(m) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)), (CNA). The purposes of the FMNP are to provide fresh, nutritious, unprepared locally grown fruits, vegetables and herbs from farmers' markets, and roadside stands to WIC participants; to expand the awareness and use of farmers' markets; and to increase sales at such markets. The FMNP is intended to benefit both the coupon recipients by improving their diets, and the farmers who sell their produce at farmers' markets by increasing their incomes.

The CNA instructs the Secretary of Agriculture to award grants to States that submit State Plans, that are approved by the Secretary, for the establishment and maintenance of programs designed to provide participants of the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), or those on a waiting list to receive WIC benefits, with coupons that may be exchanged for fresh, nutritious, unprepared locally grown fruits, vegetables and herbs at authorized farmers' markets. The FMNP is designed to work in conjunction with WIC and WIC's goals of supplementing the diets of nutritionally at-risk women, infants, and children up to 5 years of age, and of improving their health through nutrition education. FMNP regulations at 7 CFR Part 248 require that certain financial data and programmatic information be periodically compiled and submitted 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.**

**FMNP Regulation:**

FMNP State Plans are used by FNS as the principal source of information about each State agency's FMNP. Local agency and farmer/farmers' market/roadside stand applications and agreements are necessary to delineate responsibility, and ensure the accountability of State agencies, local agencies, and farmers/farmers' markets/roadside stands.

State agency nutrition education agreements facilitate the provision of quality nutrition education and allow FNS to assess the quality and quantity of nutrition education provided to FMNP recipients. The farmers' market monitoring report enables FNS to

evaluate farmer/farmers' market trends and assess State agency efforts to control farmer/farmers' market fraud and abuse. Minimum documentation for routine monitoring promotes effective monitoring by mandating a consistent level and quality of State agency monitoring nationwide. Documentation of recipient and farmer complaints enables FNS and the State agency to identify problems at the local agency/market level.

The requirements for the State agency that identify the disposition of coupons; request approval for specified costs; justify back spending of funds; submit final closeout reports to FNS; and report the status of recipient claims, all serve to ensure the accountability of Federal funds, and promote efficient program management. The requirement for State agency corrective action plans ensures that problem areas of program management are rectified. The requirements for farmers/farmers' markets assist in controlling fraud and abuse and promoting the integrity of the FMNP.

FNS uses the information collection to assess how each FMNP State agency operates; to ensure the accountability of State agencies, local agencies, and farmers/farmers' markets/roadside stands; to make program management decisions; and to report to Congress as needed.

As required under the CNA (42 U.S.C. 1786(m)(8)), each fiscal year, the Secretary shall collect from each State that receives a grant under this program information relating to:

(A) the number and type of recipients served by both Federal and non-Federal benefits

- under the program for which the grant is received;
- (B) the rate of redemption of coupons distributed under the program;
- (C) the average amount distributed in coupons to each recipient;
- (D) the change in consumption of fresh fruits and vegetables by recipients, if the information is available; and
- (E) the effects of the program on farmers' markets, if the information is available; and any other information determined to be necessary by the Secretary.

In addition to the information collected via the revised FNS-683 worksheet, Federal FMNP regulations require the annual submission of a State Plan of Operations, and other program-related reporting and record-keeping at the State agency level, such as farmer agreements and authorizations, monitoring reports, and participant nutrition education.

### **FNS-683 (Parts B and C)**

As of June 2014, FNS has merged the data collection instrument into the Food Programs Reporting System (FPRS) OMB Control No.: 0584-0594, Expiration Date: 6/30/2017. Federal FMNP regulations at 248.15(a) and 248.23(a)-(b) require that each State agency administering the FMNP using FNS 683 shall complete an annual financial report and submit it to the applicable FNS Regional Office by January 31 of the year immediately following the report year. This information is used to reconcile and close out grants in accordance with the requirements of 7 CFR 3016.23(b) and 7 CFR 3016.41(a)(1)(i), and to report to Congress as needed.

### **FNS-683 (Part D)**

Each State agency administering the FMNP is required by authorizing legislation, at 42 U.S.C. 1786(m)(8), to submit an annual report on the number and type of recipients served by both Federal and non-Federal benefits under the program. This information is used for program planning purposes, and for reporting to Congress as needed.

**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 makes every effort to comply with the E-Government Act of 2002. FNS currently provides State agencies with the FMNP State Plan requirements in a fillable format for State agency submissions. Further, because many WIC State agencies also administer the FMNP directly, or perform some of the administrative requirements of the FMNP, FNS expects to capitalize on advances that take place with WIC information technology and reporting. The annual financial and program data report worksheet (FNS-683) is submitted by 100 percent of the FMNP State agencies electronically through the Food Programs Reporting System (FPRS), <https://fprs.fns.usda.gov> and the burden for this data collection instrument is maintained in OMB Control No.: 0584-0594, Expiration Date: 6/30/2017 .

**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 is no duplication of effort. FNS solely reviews the State Plan Guidance content and format annually to ensure that the information requested from State agencies is

consistent with current regulatory requirements, is not available through other means, and to administer and monitor the FMNP to ensure integrity for program management, oversight, and/or improvement. The annual program and financial data are only collected by FNS.

**5. If the collection of information impacts small businesses or other small entities (Item 13 of OMB Form 83-I), describe any methods used to minimize burden.**

There are small entities involved in this data collection; however, information collected does not adversely impact small entities such as authorized FMNP farmers, farmers' markets, and roadside stands. Federal regulatory burdens are minimized to the extent possible. Authorization of these entities is delegated to State agencies, which collect only the minimum amount of data necessary to make authorization determinations. Design and operation of food coupon payment systems is delegated to State agencies that, in many instances, use the already existing WIC retail banking system to ensure prompt payment for FMNP coupons. State agencies implement training programs to familiarize farmers/farmers' market managers with FMNP rules, and thus minimize the time spent by the farmer/farmers' market manager in transacting and processing each FMNP coupon. Farmers may accept coupons at authorized markets or roadside stands or both. Three of the FMNP State agencies are Indian Tribal Organizations that serve less than 1000 recipients, which FNS considers small agencies.

**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.**

This is an ongoing information collection. If the information in this proposal were collected less frequently, the effectiveness of the FMNP could be jeopardized; program funds could be improperly used by State and local agencies; and the incidence of fraud and abuse could increase. This could result in fewer recipients being served with available funds.

Federal FMNP regulations at 7 CFR 248.15 require that Grant closeout is an annual event. Without this financial information, FNS would not be able to perform closeout accurately and reconcile the accounts. Unspent funds identified from the closeout data are recovered, reapportioned by the Office of Management and Budget, and reallocated to FMNP State agencies to use the following year. The financial data provided is used for funding decisions and if not collected, would result in fewer recipients being served.

Recipient reporting is an annual requirement as set forth in 42 U.S.C. 1786(m)(8). This information is necessary to track the changes in the number of recipients and their benefit amounts, and to develop the profile of farmers that benefit financially from participating in the FMNP. FNS is required to report the number of FMNP participants to Congress annually, and other program data are included in Department of Agriculture (USDA) annual reports. If this data were not collected, FNS would be deemed unresponsive to requests from USDA, Congress, and others for programmatic data.

**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. This collection is consistent with the guidelines set forth in 5 CFR 1320.5.

**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 burden hour.**

**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.**

A 60-day notice was published in the Federal Register on January 31, 2014, 79 FR 5368.

FNS received one public comment with regard to this notice included with this submission. The comment was a positive comment in which the Arkansas FMNP State agency agrees with the consolidation of FNS 683 and 203.

Consultation is conducted on a regular basis with members of the National Association of Farmers' Market Nutrition Programs (NAFMNP), who represent FMNP State agencies on such topics as reporting and the required collection of information. Regular conference calls are conducted with Regional FNS staff to learn about issues and concerns of the FMNP State agencies.

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

There are no payments or gifts to respondents.

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

The Department will continue to comply with the Privacy Act of 1974.

**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.**

Questions of a sensitive nature, such as those related to sexual behavior, attitudes, religious beliefs or other private matters are not required by this collection.

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

**(A) Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated.**

The narrative that accompanies this justification explains the estimated burden associated with the individual reporting and recordkeeping requirements covered in this submission.

Attachment B, *Narrative Regarding Reporting and Record Keeping Requirements*, shows how the burden hours associated with each requirement were calculated.

Table A12.1A Annual Reporting and Recordkeeping Burden Estimates

Regulation Section	Requirement	Estimated No. Respondents	Avg. No. Responses Per Respondent	Total Annual Responses	Hours Per Response	Annual Hours
<b>Affected Public: STATE &amp; LOCAL AGENCIES (Including Indian Tribal Organizations and US Territories)</b>						
<b>Reporting</b>						
248.4	State Plan	47	1.00	47.00	40.00	
248.10(a)(2)&(3)&(b)	Authorization	47	167.06	7,851.69	1.00	
248.10(e)	Monitoring/Review	47	50.62	2,379.30	2.00	
248.10(f)	Coupon Management System	47	1.00	47.00	5.00	
248.11	Financial Management System	47	1.00	47.00	10.00	
248.17(b)(2)(ii)	State Agency Corrective Action Plan	9	1.00	9.00	10.00	
248.18(b)	Audit Responses	13	1.00	13.00	15.00	
248.23(b)	Annual Financial Report FNS-683	0	0.00	0.00	0.00	
	Annual Report on Recipients, Farmers, Farmer's Markets, Roadside Stands FNS 203	0	0.00	0.00	0.00	
<b>Subtotal (Reporting Requirement)</b>		<b>47</b>	<b>222.68</b>	<b>10,393.99</b>		
<b>Affected Public: Farms (Farmers/Markets/Roadside stands)</b>						
248.10(a)(2)(3)&(b)	Farmer's Market Agreement and Authorization (1/3 or .33 of 23,793 = 7,851.69 or 7,852 authorized entities per year for 3 year periods)	7,851.69	1	7,851.69	1	
<b>Subtotal (Reporting Requirement)</b>		<b>7,851.69</b>		<b>7,851.69</b>		

<b>Total Reporting Requirement</b>		<b>7,898.69</b>		<b>18,245.68</b>		
<b>Affected Public: STATE &amp; LOCAL AGENCIES (Including Indian Tribal Organizations and US Territories)</b>						
<b>Recordkeeping</b>						
248.9	Nutrition Education	47	1.00	47.00	1.00	
248.10(b)	Farmer/Farmers Market/Roadside Stand Agreement and Authorization	47	1.00	47.00	2.00	
248.10(e)	Summary of Farmer/Farmers' Market/Roadside Stand Monitoring	47	1.00	47.00	2.00	
248.11(c)	Record of Financial Expenditures	47	1.00	47.00	2.00	
<b>Subtotal (Recordkeeping Requirement)</b>		<b>47</b>	<b>4.00</b>	<b>188.00</b>	<b>1.75</b>	
<b>TOTAL BURDEN</b>		<b>7,898.69</b>	<b>226.68</b>	<b>18,433.68</b>		

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

The average State and farmer hourly wage rates below are derived from the Bureau of Labor Statistics *National Compensation Survey: National Occupational Employment and Wage Estimates United States, May 2013*, [http://www.bls.gov/oes/current/oes\\_nat.htm#45-0000](http://www.bls.gov/oes/current/oes_nat.htm#45-0000)

The burden hours are calculated on the attached spreadsheet, *Information Collection Burden Chart*, (Attachment C). FNS also estimates that each FMNP State agency expends an average of \$1,000 per year on other administrative costs related to the information collection burden, such as office supplies, printing, etc., as shown below. Based on this information, the FNS estimates of the annualized costs to respondents for the hour burdens for collections of information are as follows:

Table A12.2A Annualized Cost to Respondents for Reporting and Recordkeeping Burden Estimates

Regulation Section	Requirement	Estimated No. Respondents	Avg. No. Responses Per Respondent	Total Annual Responses	Hours Per Response	Annual Burden Hours	Estimated Hourly Wage Rate	Estimated Total Annual Cost to Respondent
<b>Affected Public: STATE &amp; LOCAL AGENCIES (Including Indian Tribal Organizations and US Territories)</b>								
<b>Reporting</b>								
248.4	State Plan	47	1.00	47.00	40.00	1,880.00	\$ 29.44	\$ 55,347.20
248.10(a) (2)&(3)&(b)	Authorization	47	167.06	7,851.69	1.00	7,851.69	\$ 29.44	\$ 231,153.75
248.10(e)	Monitoring/Review	47	50.62	2,379.30	2.00	4,758.60	\$ 29.44	\$ 140,093.18
248.10(f)	Coupon Management System	47	1.00	47.00	5.00	235.00	\$ 29.44	\$ 6,918.40
248.11	Financial Management System	47	1.00	47.00	10.00	470.00	\$ 29.44	\$ 13,836.80
248.17(b)(2)(ii)	State Agency Corrective Action Plan	9	1.00	9.00	10.00	90.00	\$ 29.44	\$ 2,649.60
248.18(b)	Audit Responses	13	1.00	13.00	15.00	195.00	\$ 29.44	\$ 5,740.80
248.23(b)	Annual Financial Report FNS-683	0	0.00	0.00	0.00	0.00	\$ 29.44	\$ -
	Annual Report on Recipients, Farmers, Farmer's Markets, Roadside Stands FNS 203	0	0.00	0.00	0.00	0.00	\$ 29.44	\$ -
<b>Subtotal (SA Reporting Requirement)</b>		<b>47</b>	<b>222.68</b>	<b>10,393.99</b>		<b>15,480.29</b>	-	<b>\$ 455,739.73</b>
<b>Affected Public: Farms (Farmers/Markets/Roadside stands)</b>								

248.10(a)(2) (3)&(b)	Farmer's Market Agreement and Authorization (1/3 or .33 of 23,793 = 7,851.69 or 7,852 authorized entities per year for 3 year periods)	7,851.69	1	7,851.69	1	7,851.69	\$ 14.03	\$ 110,159.21
<b>Subtotal (Farms-Business Reporting Requirement)</b>		7,851.69		7,851.69		7,851.69	-	<b>\$ 110,159.21</b>
<b>Total Reporting Requirement</b>		<b>7,898.69</b>		<b>18,245.69</b>		<b>23,331.98</b>	-	<b>\$ 565,898.94</b>
<b>Affected Public: STATE &amp; LOCAL AGENCIES (Including Indian Tribal Organizations and US Territories)</b>								
<b>Recordkeeping</b>								
248.9	Nutrition Education	47	1.00	47.00	1.00	47.00	\$ 29.44	\$ 1,383.68
248.10(b)	Farmer/Farmers Market/Roadside Stand Agreement and Authorization	47	1.00	47.00	2.00	94.00	\$ 29.44	\$ 2,767.36
248.10(e)	Summary of Farmer/Farmers' Market/Roadside Stand Monitoring	47	1.00	47.00	2.00	94.00	\$ 29.44	\$ 2,767.36
248.11(c)	Record of Financial Expenditures	47	1.00	47.00	2.00	94.00	\$ 29.44	\$ 2,767.36
<b>Subtotal (Recordkeeping Requirement)</b>		<b>47</b>	<b>4.00</b>	<b>188.00</b>	<b>1.75</b>	<b>329.00</b>	-	<b>\$ 9,685.76</b>
<b>TOTAL BURDEN</b>		<b>7,898.69</b>		<b>18,433.68</b>		<b>23,660.98</b>		<b>\$ 575,584.70</b>

**13. Provide an estimate of the total annual cost burden to respondents or recordkeepers 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 component annualized over its expected useful life; and (b) a total operation and maintenance and purchase of services component.**

- a. FMNP State agencies have no capital start-up costs.
- b. There may be several State Agencies that may incur other maintenance cost above their allotted Federal administrative grant amount. We estimate this amount to be \$1,000, annually.

**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.**

There are seven FNS Regional and one FNS Headquarters staff involved in the management and oversight of the FMNP. The cost of one Headquarters staff at the GS-12 Step 6 level, and seven Regional staff at the GS-11 Step 5 level, was calculated using the General Schedule Salary Table for 2014 incorporating the general increase but not the locality increases.

FNS National Staff	9 months – 75% of 1 staff-year 9 months x 4 = 36 weeks 36 weeks x 40 hours per week = 1,440 hours 1,440 hours x \$42.27 hourly rate = <b>\$60,868.80</b>
FNS Regional Staff	21 months – 25% of 7 staff-years 21 months x 4 = 84 weeks 84 weeks x 40 hours per week = 3,360 3,360 hours x \$33.06 hourly rate = <b>\$111,081.16</b>
<b>Total Federal Costs:</b>	<b>\$ 171,949.96</b>

**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 revision of a currently approved collection. FNS Forms 683 Worksheet (Financial Report) and 203 Worksheet (Program Report) was consolidated, merged and renamed Annual Financial and Program Data Report and is now contained in The Food Programs Reporting System (FPRS) OMB Control No. 0584-0594, Expiration Date: 6/30/2017. As a result of these changes, there is a decrease in the estimated burden hours for this collection by -184 burden hours and -92 responses.

The most recent annual report shows that 47 State agencies administer the FMNP, this is an increase in the number of State agencies participating in the FMNP from 45 to 47 State agencies, including the authorization of 3,322 farmers' markets, 17,713 farmers, and 2,758 roadside stands authorized to accept FMNP coupons (for a total of 23,793 authorized entities). However, FNS estimates that one third or 7,851.69 of authorized farmers or farmer's markets complete an agreement every year, thereby estimating the number of agreements submitted per year at 7,851.69. As a result of these adjustments, this represents an increase in the number of authorized entities. The total burden is being decreased from 23,917 to 23,660.98 hours.

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

FNS publishes on its website, [www.fns.usda.gov](http://www.fns.usda.gov), certain program and financial data about the FMNP. The following data is published: the total number of recipients served,



the total number of vendors, the individual State grant amount, and total Federal funding amount.

- 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, “Certification for Paperwork Reduction Act Submissions,” of OMB Form 83-1.**

There are no exceptions to the certification statement.