

## **2016 SUPPORTING STATEMENT**

### **Socially-Disadvantaged Groups Grant Program (OMB No. 0570-0052)**

#### **A. Justification**

Rural Business-Cooperative Service (RBS) is requesting a clearance of the reporting and record keeping requirements associated with Public Law 109-97. The program is named the Socially-Disadvantaged Groups Grant (SDGG) program however, it was formerly known as the Small Socially-Disadvantaged Producer Grant program.

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

The SDGG program was authorized by section 2744 of the Federal Agriculture Improvement and Reform Act of 2006, Public Law 109-97. Further updated by the Federal Agricultural Improvement and Reform Act of 2009, Section 310B (e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932).

Regulations to implement the program have not been developed or published.

The Act enables the Secretary of Agriculture to make grants to cooperatives, groups of cooperatives, and cooperative development centers where a majority of the board of directors or governing board is comprised of individuals who are members of socially-disadvantaged groups and whose primary focus is to provide assistance to socially-disadvantaged groups.

#### **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.**

The information requirements contained within the Notice are requested from grant applicants and recipients. The information is vital for RBS to make prudent decisions regarding eligibility of applicants and selection priority among competing applicants to ensure compliance with applicable laws and regulations and to evaluate the program.

RBS, through its Cooperative Programs in Washington, D.C., and its staff located in 49 State Offices throughout the United States, will be the primary user of the information collected. Under the Freedom of Information Act, the general public can request the majority of the data requested of the grantees by RBS except data that is confidential. RBS will release only limited data during the processing of an application up to the period of time the grant is closed.

Specifically, the burden associated with the Notice to be cleared with this docket is as follows:

## **REPORTING REQUIREMENTS - NO FORMS**

### **Executive Summary**

In this section the applicant is to briefly describe the project, state the task to be completed, and other relevant information that provides a general overview of the project.

### **Budget/Work Plan**

This part of the application is needed to document what the grant funds are to be used for and what is to be accomplished. This is important for evaluating the application and also for monitoring to ensure that funds are used for what they were intended. This also provides 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 needed to properly evaluate each application and select the most deserving applications for funding.

### **Eligibility Discussion**

The information in this section is essential to determine if the applicant is eligible to apply. It also provides a detailed discussion on the use of funds for project activities, project area eligibility, timeframe for completion of the project, and satisfactory performance reporting required for current SDGG awards.

### **Scoring Criteria**

This grant program is competitive. These criteria are necessary to score the application to ensure the highest ranking ones receive the funds meeting the purpose of the Public Law 109-97.

### **Performance Measures**

Performance measures are used to evaluate the number of cooperatives and socially-disadvantaged groups assisted by the SDGG program.

### **Intergovernmental Review comments**

These comments, obtained by the applicant through contact with the State Single Point of Contact, are required to comply with Executive Order 12372 and to ensure that the proposed activity is not in conflict with strategic plans of State and local governments.

### **Project Performance Report**

This report is needed to help the Agency ensure that projects in process are progressing satisfactorily and that completed projects have been completed and paid for in full. If cost

overruns, deviations from the approved scope, or other problems do develop, this will help ensure that the Agency is made aware in time to help find a solution.

### Grant Agreement

This document is a legal agreement between the grantee and the Agency. It provides terms and conditions the grantee must adhere to as a result of receiving the award.

## **FORMS APPROVED UNDER THIS DOCKET**

### Letter of Intent to Meet Conditions (Form RD 1942-46)

The grantee's signature is needed on this form to document that the grantee has received the Letter of Conditions from the Agency and agrees to its terms and conditions. There are no changes to the form or the instructions.

### Assurance Agreement (Form RD 400-4)

Used to confirm that recipients of loan and grant assistance have been reminded of their obligations to comply with all the provisions of the Civil Rights Act of 1964 and regulations of the Agency.

## **REPORTING REQUIREMENTS APPROVED UNDER OTHER OMB NUMBERS**

### Application for Federal Assistance (For Non-Construction) (SF-424) – OMB No. 4040-0004

This form provides general information and signature documenting application. Accounted for in separate Request for Common Forms (RCF).

### Budget Information-Non-Construction Program (SF-424A) – OMB No. 4040-0006

The applicant is required to submit this budget form to provide a budget breakdown on the total project cost of a non-construction project.

### Assurances—Non-Construction Programs (SF-424B) – OMB No. 4040-0007

The applicant signs this form to certify they will comply with all applicable requirements of all other Federal Laws, executive orders, regulations and policies governing this program.

### Federal Financial Form (SF-425) – OMB No. 4040-0014

This form is needed to provide a periodic summary of project costs incurred, with semi-annual and final reports required. It is necessary for the grantee to keep complete and accurate accounting records as evidence that the grant funds were used properly.

Request for Advance or Reimbursement (SF-270) – OMB No. 4040-0012

This form is needed to document the grantee's request to draw grant funds.

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.

The applicants may apply online through the Grants.gov website or through paper application.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use as described in Item 2 above.

The forms required to apply to the SDGG program are all Standard Forms also used by other agencies and for other programs. Where Standard Forms do not exist, respondents are asked to provide the information in written form. Therefore, respondents can submit documents they already have or prepare new material in the format most convenient to them. We are also requesting that successful applicants complete several RD forms that specify the conditions they must meet to receive the grant award.

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 from cooperatives, groups of cooperatives, and cooperative development centers therefore, there will be little probability that small businesses will provide information as a result of this program.

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.

If the collection is not conducted, the Agency will not be able to make prudent program decisions with respect to awarding grant funds or ensure that the intent of the statute is achieved. The Agency will also not be in compliance with requirements established by law or Executive Order, including 2 CFR 215 and 2 CFR 200.

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 information collection requirements for Form SF-270 which require respondents to report information more than quarterly.

- b. Requiring written responses in less than 30 days. Applications lacking sufficient information to determine eligibility and scoring will be considered ineligible.
- c. Requiring more than an original. There are no specific information collection requirements that require more than an original.
- d. Requiring respondents to retain records for more than 3 years. There are no requirements for respondents to retain records for more than three years, except when there are unresolved audit findings.
- e. Not utilizing statistical sampling. There are no requirements in connection with a statistical survey.
- f. Requiring use of statistical sampling which has not been reviewed and approved by OMB. There are no requirements for the use of a statistical data classification that has not been reviewed and approved by OMB.
- g. Requiring a pledge of confidentiality. There is no information collection requirement that includes a pledge of confidentiality not supported by statute or regulation, not supported by consistent disclosure and data security policies, or which unnecessarily impedes sharing of data with other agencies.
- h. Requiring submission of proprietary trade secrets. There is no requirement for submission of proprietary trade secrets or other confidential information.

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.

In accordance with the Paperwork Reduction Act of 1995, the Agency published a 60-day Notice in the Federal Register on March 8, 2016 in Vol. 81, no. 45, pg. 12067.

The following companies were consulted regarding the collection of information:

Federation of Southern Cooperatives  
Ralph Paige, Executive Director  
2769 Church Street  
East Point, GA 30344  
Phone: (404) 765-0991

South Dakota Association of Cooperatives  
Karen Kuhns, Office Manager  
351 Wisconsin S.  
P.O. Box 102  
Huron, South Dakota 57350  
Phone: 605-352-9492

Mississippi Association of Cooperatives  
Benn Burkett, State Coordinator  
P.O. Box 2786  
Jackson, MS 39225  
Phone: (601) 354-2750

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

No gifts or payments of any kind will be made to respondents.

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

The information collected under the provisions of the program is not considered to be of a confidential nature. The data is collected from organizations that ordinarily are required to make their activities available for public scrutiny, such as nonprofit entities.

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.

The information collected does not contain any sensitive information such as sexual behavior and attitudes, religious beliefs or other matters commonly considered private.

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

This renew submission is for 60 respondents, 400 responses, and 575 burden hours. The Department of Labor's Bureau of Labor Statistics does not provide a wage rate for a grant writer. Therefore, an average wage rate was used of \$39 hr. for a management, middle-management salary. The estimated annual cost to respondents is \$27,105. See attached spreadsheet for breakdown.

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 ongoing operation/maintenance costs associated with this information collection.

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

The review and eligibility determination for the program are completed by GS-12 and GS-13 staff in the State Office, and eligible applications are scored and ranked by a review panel consisting of GS-13 staff from the State Office and National Office level. A wage rate for a GS 13/1 is used as a “blended rate” to calculate the cost to the Federal Government. Wages are from OPM’s 2016 GS Salary Table – DC Locality. In accordance with OMB Memorandum M-08-13, cost of total benefits for Federal Government employees has been calculated by multiplying 36.25% by the hourly \$43.52 + 15.78 (benefits) = \$59.30 hourly wage.

RBS estimates the cost to the Federal Government to administer the activities of this program broken down as follows:

<b>Activity</b>	<b>Number</b>	<b>No. of hours</b>	<b>Rate (\$)</b>	<b>Total</b>
Review application materials/eligibility determination	60	7	59.30	\$24,906
Approve grant and obligate funds	20	6	59.30	\$7,116
Servicing/grant closing	20	14	59.30	\$16,604
<b>SUB TOTAL</b>				<b>\$48,626</b>
Travel	20	9	59.30	\$10,674
Other Administrative	20	9	59.30	\$10,674
<b>GRAND TOTAL</b>				<b>\$69,974</b>

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

Although there was an increase in the number of applications (from 53 to 60) and awardees (from 17 to 20) from the previous reporting period, there is a increase in burden of 108 hours and a decrease 26 responses. This is attributable to an adjustment in how RD accounts for burden on standard forms now accounted for under other OMB numbers as an RCF. Since the previous reporting period, applicant eligibility was broadened to be more inclusive of other organizations which has led to an increase in applications. In addition, Performance Measures is now included as a reporting requirement. Further increases have resulted from the availability of *grants.gov* for electronic submissions by applicants and wider distribution of program notices through electronic media. There has also been a re-evaluation of efforts to increase the per response time for the Executive Summary, Eligibility Discussion and other forms (i.e., Form SF-425 0348-006; Semi-Annual Financial Report and Form SF-425 4040-0014; Annual Financial Report).

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

This collection of information will not be published for statistical purposes.

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.

These forms are used in other Rural Development information collections; therefore, it is not practical to include an OMB expiration date because of the different expiration dates for each collection. RBS is seeking approval to not display the OMB expiration date on these forms.

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

The agency is able to certify compliance with all provisions under Item 19 of OMB 83-I.

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; neither is it be part of the one-stop shopping concept.