

2016 SUPPORTING STATEMENT

OMB No. 0575-0198

7 CFR 3570

Community Facilities Technical Assistance and Training Grant Program

A. Justification

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

The Community Facilities Technical Assistance and Training (TAT) is a competitive grant program which the Rural Housing Service (RHS) administers. Section 306 of the Consolidated Farm and Rural Development Act (CONACT), 7 U.S.C. 1926, was amended by Section 6006 of the Agriculture Act of 2014 (P.L. 113-79) to establish the Community Facilities Technical Assistance and Training Grant. Section 6006 authorized grants be made to public bodies and private nonprofit corporations (including Indian Tribes) that will serve rural areas for the purpose of enabling the grantees to provide to associations technical assistance and training with respect to essential community facilities authorized under Section 306(a) (1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)). Grants can be made for 100 percent of the cost of assistance.

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.

Eligible entities receive TAT grants to help small rural communities or areas identify and solve problems relating to essential community facilities. The grant recipients may provide technical assistance to public bodies and private nonprofit corporations. Public bodies and private nonprofit corporations may also use grant funds to hire professional services such as architectural and financial. The technical assistance is intended to assist in developing an application for USDA funding.

The TAT grant recipients can give technical assistance to nonprofit corporations and public bodies that are eligible for RHS assistance under the Community Facilities program. Public bodies include counties, cities, townships, incorporated towns and villages, boroughs, authorities, districts, other political subdivisions of a State and Native American tribes.

Applicants applying for TAT grants must submit an application, which includes an application form, narrative proposal, various other forms, certifications, and supplemental information. The Rural Development State Offices and the RHS National Office staff will use the information collected to determine applicant eligibility, project feasibility, and the applicant's ability to meet the grant and regulatory requirements. Based on funding availability for each Fiscal Year and the dollar amount requested by applicants, it may not be possible to fund all applications for the amount requested. If a particular application/project cannot be funded for the full amount, the applicant will be requested to submit revised documents to reflect the revision in the scope of the project based on the amount that can be awarded. Failure to collect proper information could

result in improper determinations of eligibility, improper use of funds, or hindrances in making grants authorized by the TAT and Solid Waste Management (SWM) programs.

The applicant will submit the following information:

Reporting Requirements – Non Forms

Documentation of Assistance Provided to Rural Development Employees

Applicants must identify and report any known relationship or association with a RUS employee such as close personal association, immediate family, close relatives, or business associates. This includes any assistance provided to employees.

Indirect Cost Rate Agreement.

The applicant's indirect cost rate agreement with a cognizant Federal Agency must be submitted if their proposed budget includes indirect costs.

Statement of Compliance.

To assure compliance with Title VI of the Civil Rights Act of 1964, the applicant must provide a narrative of how they plan to notify eligible entities of the availability of the service being provided.

Evidence of Legal Existence and Authority.

The applicant must submit certified copies of organization documents and a certified list of directors and officers as evidence of the applicant's legal existence and authority for the proposed project. The organizational documents can be charters, bylaws, or articles of incorporation. RHS uses the information to determine if the applicant has the proper authority to enter into a binding agreement to use grant funds.

Evidence of Tax Exempt Status.

Private nonprofit organizations eligible for TAT grants must have 501(c)(3) or 501(c)(4) tax-exempt status, designated by the Internal Revenue Service. An applicant must submit evidence of its tax-exempt status. RHS uses this information to ensure that the applicant meets the eligibility criteria mandated by law.

Narrative - Project Proposal

Applicants will provide a narrative of experience in providing services similar to those proposed. A brief description of successfully completed projects including the need that was identified and objectives accomplished. The narrative should document ability to administer technical assistance and training, financial resources available to pay operational costs and provide financial assistance to projects, and demonstrate secured commitments of financial support from other sources.

Latest Financial Information.

The applicant's latest financial statement is used to help determine if the applicant is financially viable to complete their proposed scope of work.

Documentation of Matching Funds

The applicant is not required to provide matching funds for the projects. Priority will be given to those applicants who do provide at least twenty percent (20%) matching funds.

Scope of Work/Work Plan

RHS asks the applicant to provide a narrative discussing the proposed services to be provided and how the applicant will select projects that will be assisted with the grant funds. RHS uses the information in the scope of work to measure the performance of the grant recipient and the success of the project. The scope of work describes what will happen in a project, when, and what staff will be responsible. It provides details on the activities or tasks to be accomplished, objectives, timetables for task completion, and anticipated results. The applicant will provide a breakdown of costs (direct and indirect) including those costs funded by the grantee as well as any matching funds or other funding sources.

Budget Justification.

The budget justification demonstrates how the funds will be spent and provides details for proposed expenditures, calculations of costs, and explanations of unusual lines in the budget. It discusses how the budget supports the proposed project activities and explains how each budget item is essential to achieving project objectives. RUS uses this information to evaluate the cost effectiveness of the project and the adequacy of funding to carry out the activities of the project. The information will also be used to evaluate a grant recipient's request for payments

Evidence of Financial Management System.

Applicant must provide evidence that a financial management system is in place or proposed. RHS uses the information to determine if the applicant will be able to adequately account for federal funds expended.

Documentation of each priority ranking criteria which include:

- List of beneficiaries to be served
- Type of technical assistance to be provided or contracted
- How the project will be evaluated and provide clearly stated goals and how those goals will be measured
- Need for the proposed service
- Personnel on staff or to be contracted to provide the proposed services
- Statement of how long the project will last
- Cost effectiveness of the project.
- Other factors for consideration such as emergency situation, training need identified, health or safety problems, geographical distribution of funds, State Office recommendations and how the project may address a Secretary's initiative.

Reporting Requirements – Non Forms (Awardees)

Project Performance Report.

Grant recipients must submit a narrative progress report quarterly. The project performance report summarizes the project's progress for the quarter and includes information needed to support expenditures claimed for the quarter. The last quarterly report may serve as the final report and must be submitted within 90 days of the project end date. Those items discussed in 3570.270 should be addressed. RHS uses this information to monitor performance, ensure schedules are met, projected work is accomplished, and objectives are achieved.

The project performance report meets the requirements of: OMB 2CFR Chapter 1, and Chapter II, Parts 200, 215, 220, 225, and 230 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards".

Audit.

Grantees expending \$750,000 or more Federal funds per fiscal year will submit an audit conducted in accordance with OMB 2 CFR Chapter 1, and Chapter II, Parts 200, 215, 220, 225, and 230 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards".

Financial Statements.

Grantees expending less than \$750,000 will provide annual financial statements covering the grant period, consisting of the organization's statement of income and expense and balance sheet signed by an appropriate official of the organization. Financial statements will be submitted within 90 days after the grantee's fiscal year

Reporting Requirements – Forms

AD 1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions" (OMB No. 0505-0027)

USDA regulations published at 7 CFR Part 3017 implement the government-wide debarment and suspension system for USDA's nonprocurement transactions. Applicants for TAT and SWM grants are required to provide certification under these regulations. Form AD-1047 may be used to obtain the required certification.

AD 1048, "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Transaction" (OMB No. 0505-0027)

Form AD-1048 will be signed by applicant's suppliers, auditors, contractors, etc., and retained by applicant in their files.

AD 1049, "Certification Regarding Drug-Free Workplace Requirements (Grants) Alternative I - for Grantees Other Than Individuals" (OMB No. 0505-0027)

USDA regulations published at 7 CFR Part 3017 implement the Drug-Free Workplace Act of 1988, which requires that grant recipients agree that they will maintain a drug-free workplace.

Applicants are required to provide certification under these regulations. Form AD-1049 may be used to obtain the required certification.

RD 400-1, “Equal Opportunity Agreement” (OMB No. 0575-0018)

Applicants read and sign this form to agree that they will comply with the Equal Opportunity Clause under Executive Order 11246 of September 24, 1965.

RD 400-4, “Assurance Agreement.” (OMB No. 0575-0018)

Applicants read and sign this form to assure RHS that they will comply with Title VI of the Civil Rights Act of 1964.

RD 3570-4, “Community Facilities Technical Assistance and Training Grant Agreement” (OMB No. 0575-0198)

The Grant Agreement is the official grant instrument between RHS and the TAT recipient. It outlines the terms and conditions of the grants, including each party’s obligations and remedial authorities available for nonperformance.

RHS has converted the non-form instrument RHS Bulletin 3570-1 into Form RD 3570-4. The emergency approval of this package was submitted before the conversion could be completed. Therefore the Agency is submitting this form for approval with the regular submission of the package.

Form Burden Approved Under Other OMB Numbers

SF- 424, “Application for Federal Assistance.” (OMB No. 4040-0004)

Applicants use this form as a required cover sheet for applications submitted for TAT and SWM grants. The application is an official form required for all Federal grants and requests basic information about the applicant and the proposed project. This form is submitted as part of the pre-application and if the project is selected, as part of the formal application.

SF-424A, “Budget Information--Non-Construction Programs.” (OMB No. 4040-0006)

Applicants project costs and expenses for the grant project. The form also provides information on matching funds. This form is submitted as part of the pre-application and if the project is selected, as part of the formal application.

SF-424B, “Assurances--Non-construction Programs.” (OMB No. 4040-0007)

Applicants read and sign this form to indicate the organization’s intent to comply with the laws, regulations, and policies to which a grant is subject. This form is submitted as part of the pre-application and if the project is selected, as part of the formal application.

SF-LLL, “Disclosure of Lobbying Activities.” (OMB No. 4040-0013)

For grants over \$100,000, applicant must certify that no Federal appropriated funds will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any Federal

grant or Federal loan, and the extension, continuation, renewal amendment, or modification of any Federal contract, grant or loan.

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

Will be completed by the grantee and submitted to either the State or National Office not more frequently than monthly.

SF 425, "Federal Financial Report." (OMB No. 4040-0014)

Grant recipients must report the status of grant funds for TAT or SWM on the SF-425 on a quarterly basis. The use of this form complies with OMB Circular A-110.

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.

RHS is committed to meeting requirements of the e-Government Act, which requires Government agencies in general to provide the public the option of submitting information or transacting business electronically to the maximum extent possible. RHS will accept electronic applications for TAT Grants through Grants.gov.

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.

RHS collects information from applicants only who are applying for or who are receiving TAT grants. There will be no duplication in the collection of information required. If applicants are applying for other programs where similar information is required, the Agency would make every effort to use that information which is the same.

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 term "small entity" has the same meaning as the term "small business," "small organization," and "small governmental jurisdiction" in accordance with 5 U.S.C. §601(6). The Small Business Administration (SBA) has established a Table of Small Business Size Standards that matches to the industries described in the North American Industry Classification System (NAICS). According to the standards established by the SBA, RHS believes a large majority of our Community Facilities program applicants, borrowers and grant recipients, are classified as small entities. The information to be collected for the administration of the grant program is the minimum that RHS needs to approve the grants and monitor performance. Small entities may be affected by the reporting burden, but only minimum information necessary is required to carry out the authorized programs.

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 information collected under these programs is the minimum necessary to conform to the requirements of the program regulations established by law. Much of the information is collected when applicants file for grants or when the grants are closed. Information is collected when needed or required by departmental regulations and OMB circulars. Information cannot be collected less frequently and meet the requirements of the programs. Failure to collect proper information could result in improper determinations of eligibility or improper use of funds.

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 for reporting more than quarterly
- b. Requiring written responses in less than 30 days.
There are no information requirements for written responses in less than 30 days. However, grant recipients must notify RHS immediately of developments that have a significant impact on the grant-supported activities or that might materially impair the ability to meet the objectives of the grant.
- c. Requiring more than an original and two copies.
There are no such requirements.
- d. Requiring respondents to retain records for more than 3 years.
There are no such requirements unless any litigation, claim, or audit is started before the expiration of the 3-year period and has not been resolved and final action taken.
- e. That is not designed to produce valid and reliable results that can be generalized to the universe of study.
There are no such requirements.
- f. Requiring use of statistical sampling which has not been reviewed and approved by OMB.
There are no such requirements.
- g. Requiring a pledge of confidentiality.
There are no such requirements.
- h. Requiring submission of proprietary trade secrets.
There are no such requirements.

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 5 CFR 1320.8(d), a 60 day notice for comments was embedded in the final rule for 7 CFR 3570 published in the Federal Register January 14, 2016, Vol. 81, No. 9, pages 1861-1870. No comments were received.

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

RHS has not made any such decisions or payments.

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 is provided. Under the Freedom of Information Act, the public can request most data collected from respondents. The information collected under the provisions of these programs is not considered to be confidential.

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 questions of a sensitive nature that would be considered private.

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

This is a new program for Community Facilities. Since Water and Environmental Programs within RUS has a similar program, we are basing the calculations upon the number of awards made by RUS and the RUS's experience with their grant program. This past application cycle, WEP received 35 for their TAT Grant and 80 applications for their SWM Grant. The agency estimates that the hour burden on respondents associated with this information collection to be 2,238 hours and the cost burden on respondents to be \$105,320, demonstrated in the table below:

Regulation	Number of Respondents	Total Annual Responses	Total Man-Hours	Total Hourly Wage	Total Costs
7 CFR 3570	70	1,260	2,238	\$47.06	\$105,320

As indicated above, RHS estimates a cost of \$105,320 for respondents to comply with this regulation. The cost is based on 70 organizations filing an application and 35 of them receiving a grant. The primary individuals submitting a grant application, pre-application, or required reports under this regulation would be a director or a professional financial operations staff member. The wage rate of \$47.06 per hour is based on the rate provided for Occupation Code 11-1021 May 2012 National Occupational Employment and Wage Estimates by ownership

Federal, state, and local government, including government owned schools and hospitals, and the US Postal Service found at <http://www.bls.gov/oes/2012/may/999001.htm#11-0000>.

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information for (a) capital and start-up cost and (b) operation, maintenance and purchase of services components.

There are no capital and start-up costs and purchase of services components involved with this collection.

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

The cost to the Federal Government is calculated based on the hourly wage of \$49.32 for a GS13/Step 5 Community Programs Specialist. Cost of benefits is calculated at \$17.88 (36.25%) for a total hourly wage of \$67.20.¹ The cost to the Federal Government to collect and evaluate the information in this collection is summarized in the following calculations:

Application phase analysis – 10 hours X 70 applications X \$67.20	= \$47,040
Award phase analysis – 10 hours X 35 applications X \$67.20	= \$23,520
First Administrative phase – 5 hours X 35 applications X \$67.20	= \$11,760
Second Administrative phase – 3 hours X 35 applications X \$67.20	= \$7,056
Servicing per quarter – 4 quarters X 4 hours X 35 borrowers X \$67.20	= \$37,632
End of grant period – 5 hours X 35 borrowers X \$67.20	= \$11,760
Closeout – 2 hours X 35 borrowers X \$67.20	= <u>\$4,704</u>

Total estimated cost to the Federal Government is: \$143,472

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

Since the emergency approval there is no change in burden.

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

RHS has no plans to publish the information collected under the provisions of these programs.

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.

There are no forms cleared under this collection.

18. Explain each exception to the certification statement identified in item 19 on OMB 83-1.

¹ The cost of benefits for Federal Employees is 36.25% of the hourly wage rate as provided in OMB Memorandum M-08-13.

There are no exceptions requested.

B. Collection of Information Employing Statistical Methods.

This collection does not employ statistical methods.