

2016 SUPPORTING STATEMENT  
Rural Cooperative Development Grant Program  
OMB No. 0570-0006

A. Justification

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

Public Law 107-171, Section 310B of the Consolidated Farm and Rural Development Act (as amended), authorizes the Rural Cooperative Development Grants (RCDG) program to be administered by Rural Business-Cooperative Service (RBS). RBS must collect information from applicants in order to confirm eligibility for the program and to evaluate the quality of the applications. Additionally, grantees are required to submit reporting and payment request information to facilitate monitoring of the program and disbursement of funds.

2. Indicate how, by whom, and for what purposes 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 RBS and 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," OMB No. 0505-0027 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," OMB No. 0505-0027 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)," OMB No. 0505-0027 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 1942-46, “Letter of Intent to Meet Conditions” OMB No. 0570-0061 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.

Form RD 1940-1, “Request for Obligation of Funds” OMB No. 0570-0061 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 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.

Form RD 400-4, “Assurance Agreement” OMB No. 0570-0061 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.

#### REQUIREMENTS – NO FORMS

Project Proposal, to be completed once at the time of application. This narrative is submitted by the grantee to provide information that the Agency uses to assess the eligibility of the applicant organization and use of funds and to evaluate the quality of the proposed project.

Grant Agreement, to be completed once at the time of grant approval. This document is signed by the grantee and the Agency to enter into a legally binding contract. It provides the terms of the award in accordance with applicable regulations as well as any special conditions that may apply.

Performance Report, to be completed on a semi-annual 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.

RD-1940-Q, Exhibit A-1, “Certification for Contracts, Grants and Loans,” 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 has not used Federal funds to influence an Agency employee, Member of Congress, or employee of a Member of Congress for the purpose of awarding a Federal contract or making a Federal grant or Federal loan, or for the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, or loan.

#### FORM BURDEN APPROVED UNDER OTHER OMB NUMBERS:

Form SF-424A, “Budget Information for Non-Construction Programs” (4040-0006), to be completed once at the time of application. This form is submitted by the applicant and used to collect the budget information for the project.

Form SF-424B, “Assurances for Non-Construction Programs,” (4040-0007), to be collected once at the time of application. This form is submitted by the applicant and used to obtain assurances of the applicant organization’s legal authority to apply for Federal assistance, its financial capability to pay the non-Federal share of project costs, and its compliance with legal and regulatory requirements.

Form SF-LLL, “Disclosure of Lobbying Activities” (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-3881, “ACH Vendor/Miscellaneous Payment Enrollment Form” (1510-0056), to be completed once at the time of grant award. This form is submitted by the grantee and is used by the Agency to set up electronic payments for the grant.

Form SF-270, “Request for Advance or Reimbursement” (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 SF-425, “Federal Financial Report” (4040-0014), to be completed on a semi-annual basis. This form is submitted by the grantee so that the Agency can confirm that funds are being expended as approved.

Form AD-3030, “Representations Regarding Felony Conviction and Tax Delinquent Status for Corporate Applicants,” and AD-3031, “Assurance Regarding Felony Conviction or Tax Delinquent Status for Corporate Applicants,” (0505-0025), to be completed once at the time of application. These two forms are required by Public Law 112-55.

Form SF-424, “Application for Federal Assistance” (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, Data Universal Number System (DUNS) number, and Central Contractor Registration (CCR) information.

#### 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 3 years after the period of performance has ended. Records must be retained beyond 3 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.

RBS strongly encourages applicants to submit as much material as possible electronically. Applicants may apply for grant funds via [www.Grants.gov](http://www.Grants.gov), and the Agency is able to retrieve the applications electronically. Applicants who receive funding are encouraged, but not required, to submit semi-annual and final reports electronically.

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

RBS makes every effort to administer programs using the standard forms where possible; however progress reports are unique to the projects administered under each grant. Rural Development has several grant programs that are similarly administered. If there is simultaneous participation in more than one program, RBS 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-I), describe any methods used to minimize burden.

The information collected is the minimum needed by RBS to approve grants and monitor grant performance. No additional methods are used to minimize the burden for small entities. Approximately 50% of applicants are small businesses.

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.

Without collecting the information, RBS cannot be assured that the applicants meet the statutory requirements for eligibility, that it is awarding funds to qualified applicants, and that grantees are providing services in accordance with the approved grant agreement.

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 for written responses in less than 30 days.
  - c. Requiring more than an original and two copies. There are no information requirements for 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 Office of Management and Budget (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. 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 August 4, 2016, [Vol. 81, No. 150, page number 51430]. No comments were received. Three RCDG recipients were contacted to survey the burden requirements for preparing the application narrative and reporting of semi-annual and final reports. Since the majority of the paperwork requirements dealing with the program already have OMB approved time estimates (mostly forms), the narrative portions of pre- and post-award actions were of particular interest to Agency. It was determined that the number of hours the Agency reported for completing the narrative portion of the application was right on target. On average, the recipients felt that the burden hours associated with preparing the semi-annual and final reports were too high. However, the Agency needs to take into consideration that if we have a brand new grantee, they will need additional time to learn the process of completing reports. In addition, no institutions of higher education were surveyed and they tend to need additional time for completing reports due to their internal processes. It is generally easier for a non-profit to be in control of completing reporting requirements. The contact information for the three recipients surveyed is:

Noemi Giszpenc  
Cooperative Development Institute, Inc.  
413.665.1271  
ngiszpenc@cdi.coop

C. J. Davis  
The Kohala Center  
808.887.6411

cdavis@kohalacenter.org

Diane Gasaway  
Northwest Cooperative Development Center  
360.570.8415  
diane@nwcdc.coop

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, 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 be considered sensitive in nature or commonly considered private.

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

This submission is for 55 respondents with 462 responses and 6,342 hours. See spreadsheet for further break down. The total cost to respondents or recordkeepers resulting from this collection of information is \$263,056.

13. Provide an estimate of the total cost 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 \$126,587. A total of 3,047 hours is estimated for processing applications, preparing award documents, and monitoring awards. A more detailed breakout can be found on the spreadsheet. The spreadsheet will also list the GS levels used and how the average was derived.

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 a slight increase in responses, 56, the number of hours has decreased from 7,838 to 6,342 for a total decrease of 1,496 hours. This is due, in part, to the fact that some of the data that was collected in a written format in the original submission is now being obtained through actual standardized forms which takes less time to fill out. There was also a decrease in respondents from 73 to 55.

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

The results of 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 the 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.

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 center?

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