

**Non-substantive Change Request**  
**Survey of State Government Research & Development (SGRD)**  
**OMB Control number 0607-0933**

The Census Bureau conducts the SGRD on behalf of the National Science Foundation's (NSF) National Center for Science and Engineering Statistics (NCSES). The NCSES sponsors surveys of R&D activities of federal and state agencies, higher education institutions, and private industries. The results of these surveys provide a consistent information base for both federal and state government officials, industry professionals, and researchers to use in formulating public policy and planning in science and technology. These surveys allow for the analysis of current and historical trends of R&D in the U.S. and in international comparisons of R&D with other countries.

We request a revision to Question 4 of the SGRD instrument. The change is designed to capture specific information on the source other funds (e.g., business, nonprofits, non-federal government, and universities) used for internal R&D performance. In order to obtain this information, we are: (i) Asking state agencies to provide information on the internal R&D source of funds "other" (see Question 4 c thru f). Agencies that do not conduct any internal R&D would skip this question entirely. We anticipate this question would affect only a small portion of all agencies surveyed. For example, during the FY 2016, 57 of 365 agencies reported some internal R&D. All other questions remain unchanged.

The change is necessary to align data elements with those of the Frascati Manual, so that the data are comparable across international R&D totals. The Frascati Manual is an internationally recognized methodology for collecting and using R&D statistics. It includes definitions of basic concepts, data collection guidelines, and classifications for compiling R&D statistics. The current survey instrument requires NSF to make a minor change to include a breakout of internal R&D expense from "Other" funding sources. The change will allow for a higher quality input data into both the National Patterns of R&D report and the Congressionally-mandated Science and Engineering Indicators report.

We plan to implement this change in November 2017 in order to avoid conflicts with state fiscal year initialization and preparations of the state's Comprehensive Annual Financial Reports (CAFRs) which usually takes place between July 1 and November 1. Waiting until Spring 2018 would push the collection period nearly a year after the close of the most recent reference period and conflict with states' fiscal year close-out procedures that take place in May and June. Under the current timeline, the data collection and non-response follow-up would end in June 2018. Waiting until 2018 to implement these changes would jeopardize the data

collection and reduce the timeliness and of the data issued by NSF and render the results too late to be used in the upcoming National Patterns of R&D report, which will be produced in the late summer of 2018.

We expect this change will not increase total respondent burden. In previous years, agencies that reported in the “other” funds categories were required to complete a write-in section to describe what that other source was. Based on these write in responses, agencies have this information readily available. If it is determined that the changes do impose a significant new burden, we will request an increase in the burden of the collection in our next formal OMB clearance request for the SGRD.