

## **Supporting Statement for Title III Supplemental Form to Financial Status Report (SF-425)**

### **A. Justification**

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a hard copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information, or you may provide a valid URL link or past the applicable section. Please limit pasted text to no longer than 3 pages. Specify the review type of the collection (new, revision, extension, reinstatement with change, reinstatement without change). If revised, briefly specify the changes. If a rulemaking is involved, make note of the sections or changed sections, if applicable.**

The Administration for Community Living (ACL) requires grantees funded under the Older Americans Act, P.L. 106-501, to report semi-annually on the financial status report of the performance of their projects. The specifications for reporting are consistent with 45CFR75.342(b)(1). The financial report is submitted on standard form 425. The clearance requests a reinstatement with change of a previously approved collection.

The *Title III Supplemental Form to the Financial Status Report* (SF-425) is used by ACL/AoA for all grantees to obtain a more detailed understanding of how projects funded under Title III of the Older Americans Act (OAA) of 1965, as amended, are being administered, and to ensure compliance with legislative requirements, pertinent Federal regulations and other applicable instructions and guidelines issued by the ACL. The level of data detail necessary is not available through the Federal Financial Status Report (SF-425) form. The Title III Supplemental Form provides necessary details on non-federal required match and expenditures for administration, Older Relative Caregivers expenditures, and Long Term Care Ombudsman expenditures.

In addition to renewing OMB approval of this data collection, minor changes are being proposed to it to reflect changes in statutory language that occurred as a result of the 2016 reauthorization of the OAA. Specifically, the term “Grandparents Only” has been changed to “Older Relative Caregivers,” the new term in the OAA that describes this population of eligible service recipients. Similarly, the accompanying instructions for completing the Title III Supplemental Form to the Financial Status Report were also modified to include this same language. References in the Code of Federal Regulation (CFR) have been updated addressing financial reporting requirements and non-substantive technical edits have been made to the instructions.

Since the last clearance, the form has been updated to reflect changes to the Code of Federal Regulation and the Older American’s Act. All information collected on the current form was collected in the previous form.

- 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 submitted by State Agencies will be used by ACL/AoA to respond to statutory requirements relative to expenditures of Title III program funds, to effectively monitor use of funds, and to respond to Congress, OMB, GAO and others.

- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or forms of information technology, e.g. permitting electronic submission or responses, and the basis for the decision of adopting this means of collection. Also, describe any consideration given to using technology to reduce burden.**

The information may be submitted in electronic format.

- 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.**

No other data source collects similar information.

- 5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden. A small entity may be (1) a small business which is deemed to be one that is independently owned and operated and that is not dominant in its field or operation; (2) a small organization that is any not-for-profit enterprise that is independently owned and operated and is not dominant in its field; or (3) a small government jurisdiction, which is a government of a city, county, town, township, school district, or special district with a population of less than 50,000.**

This Information does not impact small businesses or other small entities. It is collected from the 56 Title III State Agencies on Aging. The submission is typically limited to two pages.

- 6. Describe the consequences 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.**

The Financial Status Report is a semi-annual report. If the reports were to be made less frequently, opportunities to monitor and provide needed guidance would not be available to grantees.

- 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;**

None

- **Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**

None

- **Requiring respondents to submit more than an original and two copies of any document;**

None

- **Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**

None

- **In connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of study;**

None

- **Requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**

None

- **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 that unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**

None

- **Requiring respondents to submit proprietary trade secrets, 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.**

None

8. **As applicable, state that the Department has published the 60 and 30 Federal Register notices as 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 hour burden.**

ACL published a 60-Day Federal Register Notice in Vol.82, Page 28068 on June 20, 2017. The 60-Day notice requested comments on the information collection burden related to the proposed Supplemental Form to the Financial Status Report (SF-425) for all ACL/AoA Title III Grantees. No comments were received related to the 60-Day notice. ACL published a 30 day Federal Register Notice (Vol. 82, Page 45030) on September 27, 2017.

**Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instruction and record keeping, 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 periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.**

The current supplemental form was developed and approved after extensive outreach to stakeholders. The agency consulted with the State of Indiana in 2014 to review the proposed form. At that time, ACL conducted a series of meetings and teleconferences with interested parties to ensure that stakeholders understood the new form. The State of Indiana provided input on the instructions and format which were taken into consideration in the revision of instructions and format of the form. Additionally, the agency has regular webinar and teleconference trainings where the form is reviewed with all grantees. Grantees input from these trainings are used when updating and reviewing the form.

- 9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees with meaningful justification.**

None

- 10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. If personally identifiable information (PII) is being collected, a Privacy Act statement should be included on the instrument. Please provide a citation for the Systems of Record Notice and the date a Privacy Impact Assessment was completed as indicated on the IC Data Form. A confidentiality statement with a legal citation that authorizes the pledge of confidentiality should be provided. Requests for this information are in accordance with the following HHS and OMB policies: Privacy Act of 1974, OMB Circular A-108 – Privacy Act Implementation – Guidelines and Responsibilities, OMB Circular**

**A-130 Appendix I – Federal Agency Responsibilities for Maintaining Records About Individuals, OMB M-03-22 – OMB Guidance for Implementing the Privacy Provisions of the E-Government Act of 2002, OMB M-06-15 – Safeguarding Personally Identifiable Information, OM:6-104 – Privacy Act of 1974 (Collection, Use and Protection of Personally Identifiable Information). If the collection is subject to the Privacy Act, the Privacy Act statement is deemed sufficient with respect to confidentiality. If there is no expectation of confidentiality, simply state that the Department makes no pledge about the confidentiality of the data.**

No assurances of confidentiality are provided.

- 11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. The 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.**

This data collection does not include any questions of a sensitive nature.

- 12. Provide estimates of the hour burden of the collection of information. The state should:**

**Indicate the number of respondents by affected public type (federal government, individuals or households, private sector- businesses or other for-profit, private sector – not-for-profit institutions, farms, state, local or tribal governments), frequency of response, annual hour burden, and an explanation of how the burden was estimated, including identification of burden type: recordkeeping, reporting or third party disclosure. All narrative should be included in item 12. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**

The Title III Supplemental to the SF-425 includes an estimated hour burden per respondent of two hours in 2017. This estimate remains the same as the burden estimated the last time the data collection was approved. The changes to this collection are minor and do not affect the overall burden estimate. In addition, the number of respondents, 56, has not changed since the previously approved document.

**If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in the ROCIS IC Burden Analysis Table. (The table should at minimum include Respondent types, IC activity, Respondent and Responses, Hours/Response, and Total Hours).**

N/A. This approval only covers one form.

**Provide estimates of annualized cost to respondents of the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

There are 56 respondents who provide 2 responses a year per respondent. The average burden per response is 2 hours. Multiplying 56 respondents times 2 hours equals 112 hours for each submission or 224 hours per year. The cost for each year, in which the form is submitted twice, is estimated by multiplying 224 hours times the median wage for Accountants and Auditors of \$32.76/hour. This results in a total cost of \$7,338.24 (224 times \$32.76 equals \$7,338.24). The wage rate came from the May 2016 National Occupational Employment and Wage Estimates report from the Bureau of Labor Statistics. Doubling this amount to take into account benefits and overhead costs brings the total to \$14,676.48.

Type of Respondent	Form Name	No. of Respondents	No. Responses per Respondent	Average Burden per Response (in hours)	Total Burden Hours
States and Territories	Title III Supplemental	56	2	2	224
<b>Total</b>					<b>224</b>

Type of Respondent	Total Burden Hours	Hourly Wage Rate	Total Costs for Salaries	Benefits and Overhead	Total Respondent Costs
States & Territories	224	\$32.76	\$7,338.24	100%	\$14,676.48
<b>Total</b>			<b>\$7,338.24</b>		<b>\$14,676.48</b>

13. **Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).**
- **The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life); and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and**

disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and acquiring and maintaining record storage facilities.

- If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of contracting out information collection services should be a part of this burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.
- Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government or (4) as part of customary and usual business or private practices. Also, these estimates should not include the hourly costs (i.e. the monetization of the hours) captured above in Item 12

**Total Annualized Capital/Startup Cost:**

**Total Annual Costs (O&M):**

**Total Annualized Costs Requested:**

No additional costs are incurred by respondents other than those specified in #12.

14. **Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and other expenses that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.**

The cost to update the ACL/AoA Supplemental Form, instructions, and request for OMB review equals approximately 40 hours, and disseminating reporting instructions and the supplemental form to the State Agencies on Aging network equals 8 hours. Regional office review of the supplemental form from each state (1/2 hour for each of the 56 State Agencies) equals 56 hours (28 hours times 2 collections per year). In addition, analysis and data input of information submitted equals 40 hours. Combined, the hours used in the calculation are a total of 144 hours by Federal employees.

The average review and approval of a Title III Supplemental form takes approximately

140 hours for the GS-13-1 and 4 hours for the GS-07-1 for a total of 144 Government hours. An ACL GS-13-1 staff reviewing the completed reports is paid at an average rate of \$45.42 per hour and the GS-07-1 staff reviewing the completed reports is paid at an average rate of \$21.53. The cost of the review and approval process is estimated at 140 hours x \$45.42 per hour equals \$6,358.80 and 4 hours x \$21.53 equals \$86.12 for a grand total of \$6,444.92. Doubling this amount to take into account benefits and overhead costs brings the total to \$12,889.84.

Type of Respondent	Total Burden Hours	Hourly Wage Rate	Total Cost of Salaries	Benefits and Overhead	Total Federal Costs
GS-13-1	140	\$45.42	\$6,358.80	100%	\$12,717.60
GS-7-1	4	\$21.53	\$86.12	100%	\$172.24
Total			\$6,444.92		\$12,889.84

15. **Explain the reasons for any program changes or adjustments. Generally, adjustments in burden result from re-estimating burden and/or from economic phenomenon outside of an agency’s control (e.g., correcting in a burden estimate or an organic increase in the size of the reporting universe). Program changes result from a deliberate action that materially changes a collection of information and generally are result of new statute or an agency action (e.g., changing a form, revising regulations, redefining the respondent universe, etc.). Burden changes should be disaggregated by type of change (i.e., adjustment, program change due to new statute, and/or program change due to agency discretion), type of collection (new, revision, extension, reinstatement with change, reinstatement without change) and include for changes in burden hours, responses and costs (if applicable).**

N/A

16. **For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

Upon Office of Management and Budget approval, ACL plans to formally transmit the approved Title III Supplemental form with instructions to the State Agencies on Aging network.

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 OMB approval number and expiration date will be displayed.

18. **Explain each exception to the certification statement identified in the Certification of Paperwork Reduction Act.**

There are no exceptions to the certification statement.