

ATTACHMENT B: ESTIMATE OF THE INFORMATION COLLECTION BURDEN (NARRATIVE) FOR THE SFSP

Estimate of the Revised Information Collection Burden for the 7 CFR Part 225 Summer Food Service Program (OMB #0584-0280)

This document explains the calculation of the revised information collection burden for the Summer Food Service Program (SFSP) under OMB #0584-0280 due to the proposed rule: Streamlining Program Requirements and Improving Integrity in the Summer Food Service Program (RIN 0584-AE72). A 60-Day notice was embedded into the proposed rule and published in the Federal Register on January 23, 2020 (85 FR 4064). An Information Collection Request package containing the final burden estimates will be submitted to OMB for review and approval when the final rule is published.

REPORTING REQUIREMENTS

AFFECTED PUBLIC: STATE, LOCAL, AND TRIBAL GOVERNMENT

1. Section 225.3(b) requires that each State agency must notify the Department by November 1 of each fiscal year regarding its intention to administer SFSP. The agreement shall contain an assurance that the State agency will comply with policy, instructions, guidance, and handbooks issued by FNS.

FNS estimates that each of the 53 State agencies will file 1 report annually for a total of 53 responses ($53 \times 1=53$). The estimated average number of burden hours per response is 36 hours resulting in an estimated total burden hours of 1,908 ($53 \times 36=1,908$). There is no change in burden.

2. Section 225.4(a) requires that no later than February 15th of each year, each State agency shall submit to the FNS Regional office (FNSRO) a Program Management and Administration Plan for that fiscal year.

FNS estimates that each of the 53 State agencies will file 1 Management and Administration Plan annually for a total of 53 responses ($53 \times 1=53$). The estimated average number of burden hours per response is 1 resulting in an estimated total burden hours of 53 ($53 \times 1=53$). There is no change in burden.

3. Section 225.8(d)(1) requires that by May 1 of each year, State agencies must submit to the FNSRO a list of potential private nonprofit organization sponsors for each site, the first day of operation, and the estimated daily attendance.

FNS estimates that there will be audits of 53 State agencies and each will file 1 (average number of potential private nonprofit sponsors/State agency) report annually for a total of 53 responses ($53 \times 1=53$). The estimated average number of burden hours per response is 1 hour resulting in estimated total burden hours of 53 ($53 \times 1=53$). There is no change in burden.

4. Section 225.8(d)(2) requires that State agencies within 5 days of approval of sponsors, must notify FNSROs of sponsors, approved sites, locations, and days of operation and estimated daily attendance.

FNS estimates that each of the 53 State agencies will file 104 (5,524 sponsors \div 53 State agency = 104 reports) reports annually for a total of 5,512 responses ($53 \times 104=5,512$). The estimated average number of burden hours per response is 1 hour resulting in an estimated total burden hours of 5,512 ($5,512 \times 1=5,512$). There is no change in burden.

5. Section 225.9(b)(2) requires that the State agency prepare and submit a list of sponsors eligible to receive commodities and the daily number of eligible meals to be served by each sponsor not later than June 1 of each year.

FNS estimates that the 53 State agencies will each file 1 report annually for a total of 53 responses ($53 \times 1=53$). The estimated average number of burden hours per response is 1 hour resulting in estimated total burden hours of 53 ($53 \times 1=53$). There is no change in burden.

6. Section 225.9(d)(4) requires that the State agency shall forward reimbursement within 45 days of receiving valid claims.

FNS estimates that of the 53 State agencies, 312 ($104 \times 3=312$) reports will be filed annually for a total of 16,536 ($53 \times 312=16,536$) responses. The estimated average number of burden hours per response is 30 minutes (0.5 hours) resulting in estimated total burden hours of 8,268 ($16,536 \times 0.5=8,268$). There is no change in burden.

7. Section 225.12(a) requires that the State agency shall disallow any portion of a claim for reimbursement and recover any payment to a sponsor not properly payable.

FNS estimates that 53 State agencies will each file 10 (10% of the average number of sponsors \div State agency) reports annually for a total of 530 ($53 \times 10=530$). The estimated average number of burden hours per response is 4 hours resulting in an estimated total burden hours of 2,120 ($530 \times 4=2,120$). There is no change in burden.

8. Section 225.18(b)(2) requires that the State agency shall terminate a sponsor's participation in the program by written notice whenever it is determined by the State agency that the sponsor has failed to comply.

FNS estimates that of the 53 State agencies, each will file 5 reports (average number of terminated sponsors per year) annually for a total of 265 ($53 \times 5=265$). The estimated average number of burden hours per response is 1 resulting in estimated total burden hours of 265 ($265 \times 1=265$). There is no change in burden.

9. **Section 225.7(e)(6) introduces a new method for conducting meal claim validations as a part of the sponsor review set forth in section 225.7(d)(2). Regulations seen at section 225.7(d)(2) require that the State agency review sponsors and sites to ensure compliance with program regulations. Per policy guidance, State agencies must validate 100% of claims for sponsors under review.**

Under the new meal claim validation process, FNS expects the estimated number of responses per respondent to decrease from 467.24 to 65.38. Thus, each agency would submit an average of 65.38 reports annually for a total of 3,465 responses per year ($53 \times 65.38 =3,465$). The estimated average number of burden hours per response is 5 minutes (0.083 hours) resulting in an estimated total burden of 287.58 hours ($3,465 \times 0.083=287.58$). The estimated total hours to complete the task is expected to decrease from 2,055.39 hours to 287.58 hours. As a result, FNS expects there would be an overall reduction in burden of 1,767.39 ($287.58 - 2,055=-1,767.39$) hours for State agencies due to this program change.¹ In addition, FNS estimates there would be an overall reduction in response burden of 21,298 ($3,465 - 24,763=-21,298$) responses for State agencies due to this program change.

10. **Sections 225.6(c)(1), 225.6(c)(4), 225.14(a), and 225.14(c) require that sponsors submit written applications to State agencies for participation in SFSP. The sponsor must demonstrate financial and administrative capability for program operations and accept final financial and administrative responsibility for total program operations at all sites at which it proposes to conduct a food service. In order to do so, sponsors must comply with policy, instructions, guidance, and handbooks issued by FNS. This rule proposes several changes that would streamline application requirements for experienced sponsors and sites that have already operated the SFSP without significant operational problems, and modify application requirements for sponsors in good standing in other Child Nutrition Programs when applying to SFSP.**

FNS estimates that there are 3,314 local and tribal government sponsors that will each file 1 report annually for a total of 3,314 responses ($3,314 \times 1=3,314$). Under the streamlined application requirements, FNS estimates the amount of time to complete the application would decrease from 3.40 hours to 2.64 hours,

¹ These figures are the current best estimate of the burden associated with the new process, however FNS expects to receive feedback through comments on this rule that may further sharpen these estimates.

resulting in a change of approximately 46 minutes (0.76 hours). The current estimated average number of hours per respondent is 39.50 (including reviewing policy, instructions, guidance, etc.). When accounting for the reduction in burden hour of 0.76, the estimated average number of hours per respondents is expected to decrease from 39.5 hours to 38.74 ($39.50 - 0.76 = 38.74$) hours. This estimated decrease in average number of burden hours is expected to result in an estimated total burden hours of 128,384.36 ($3,314 \times 38.74 = 128,384.36$) hours. The proposed changes would result in a decrease of 2,518.64 ($128,384.36 - 130,903.00 = -2,518.64$) burden hours for local/tribal government sponsors due to a program change.

11. Section 225.6(c)(2) requires that new sponsors and sites, and, as determined by the State agency, sponsors and sites which have experienced significant operational problems, submit site information for each site where a food service operation is proposed. The rule proposes to permit sponsors in good standing in other Child Nutrition Programs to follow application requirements for experienced sponsors instead of new sponsors when applying to SFSP, which is expected to result in a decrease in burden due to the requirements at 225.6(c)(2).

FNS estimates that there are 640 new local and tribal government sponsors that will each file 1 report annually for a total of 640 responses ($640 \times 1 = 640$). Under the modified requirements, it is expected the estimated average number of hours per response would decrease from 1 hour to approximately 53 minutes (0.89 hours), resulting in estimated total burden hours of 569.60 ($640 \times 0.89 = 569.60$). This proposed change would result in a decrease of 70.40 ($569.60 - 640 = -70.40$) burden hours for local/tribal government sponsors due to a program change.

12. Section 225.6(c)(3) requires that experienced sponsors and sites submit site information for each site where a food service operation is proposed. The streamlined application requirements for experienced sponsors and sites that have already operated in the SFSP without significant operation problems is expected to reduce the burden due to the current requirements at section 225.6(c)(3).

FNS estimates that there are 2,675 local and tribal governments sponsors that will each file 1 report annually for a total of 2,675 responses ($2,675 \times 1 = 2,675$). Under the proposed amendment, the estimated average number of hours per response is expected to decrease from 1 hour to approximately 53 minutes (0.89 hours), resulting in estimated total burden hours of 2,380.75 ($2,675 \times 0.89 = 2,380.75$). This proposed change would result in a decrease of 294.25 ($2,380.75 - 2,675 = -294.25$) burden hours for local/tribal government sponsors due to a program change.

13. **Sections 225.6(e) and 225.14(c)(7) require that sponsors approved for participation in SFSP enter into written agreements with State agencies to operate the program in accordance with regulatory requirements. The application proposals in this rule are expected to decrease the burden hours due to the current requirements for local/tribal government sponsors.**

FNS estimates that there are 332 local/tribal government sponsors that will each file 1 report annually for a total of 332 responses ($332 \times 1 = 332$). The estimated average number of hours per response is expected to decrease from approximately 7 minutes (0.12 hours) to approximately 6 minutes (0.093 hours), resulting in an estimated total burden hours of 30.88 ($332 \times 0.093 = 30.88$) hours. These proposed changes would result in a decrease of 9.96 ($30.88 - 40.84 = -9.96$) burden hours for local/tribal government sponsors due to a program change.

14. Section 225.6(h)(2)(iii) requires that sponsors provide food service management Companies (FSMC) with a list of approved sites, along with the approved level for the number of meals which may be claimed for reimbursement for each site.

FNS estimates that approximately 1,929 sponsors (34.93% of 5,524 sponsors) contract with FSMCs. Of these, FNS estimates 1,157 are Local and Tribal Government sponsors that will each file 1 report annually for a total of 1,157 ($1,157 \times 1 = 1,157$). The estimated average number of burden hours per response is 30 minutes (0.5 hours) resulting in estimated total burden hours of 579 ($1,157 \times 0.5 = 579$). There is no change in burden.

15. Section 225.6(h)(3) requires that all meals prepared by a food service management company be unitized unless the sponsors submit requests to State agencies for exceptions to the unitizing requirements for certain components of a meal.

FNS estimates that 1% of sponsors that have contracts with FSMCS will submit 1 of these requests. FNS estimates that 1,157 Local and Tribal Government sponsors hire food service management companies and of these, FNS estimates, 1% of that would file 1 report annually for a total of 11.57 ($11.57 \times 1 = 11.57$). The estimated average number of burden hours per response is 30 minutes (0.5 hours) resulting in estimated total burden hours of 5.785 ($11.57 \times 0.5 = 5.79$). There is no change in burden.

16. Sections 225.6(h)(5) and 225.6(h)(2) require that sponsors submit to State agencies copies of the contracts with food service management companies, the bids received, and the reasons why the food service management company was chosen.

FNS estimates that there are approximately 1,157 FSMC contracted with Local and Tribal Governments for SFSP and that sponsors submit 1 report annually for a total of 1,157 annual responses ($1,157 \times 1 = 1,157$). The estimated average number of burden hours per response is 20 hours resulting in estimated total burden hours of 23,140 ($1,157 \times 20 = 23,140$). There is no change in burden.

17. Section 225.16(a) requires sponsors to submit to the State agency a copy of their letter advising the appropriate health department of their intention to provide a food service during a specific period at specific sites.

FNS estimates that approximately 3,314 Local and Tribal Government sponsors will submit a copy of their letter to the health department and will each file one report annually for a total of 3,314 responses ($3,314 \times 1=3,314$). The estimated average number of burden hours per response is 15 minutes (0.25 hours) resulting in estimated total burden hours of 828.5 ($3,314 \times 0.25=828.5$). There is no change in burden.

AFFECTED PUBLIC: BUSINESSES (NON-PROFIT INSTITUTIONS AND CAMP SPONSORS)

1. **Sections 225.6(c)(1), 225.6(c)(4), 225.14(a), and 225.14(c) require that sponsors submit written applications to State agencies for participation in the SFSP. The sponsor must demonstrate financial and administrative capability for Program operations and accept final financial and administrative responsibility for total Program operations at all sites at which it proposes to conduct a food service. In order to do so, sponsors must comply with policy, instructions, guidance, and handbooks issued by FNS. This rule proposes several changes that would streamline application requirements for experienced sponsors and sites that have already operated the SFSP without significant operational problems, and modify application requirements for sponsors in good standing in other Child Nutrition Programs when applying to SFSP.**

FNS estimates that there are 2,210 non-profit institutions and camps sponsors that will each file 1 report annually for a total of 2,210 responses ($2,210 \times 1=2,210$). Under the streamlined application requirements, FNS estimates the amount of time to complete the application to decrease from 3.40 hours to 2.64 hours, resulting in a change of approximately 46 minutes (0.76 hours). The current estimated average number of hours per respondent is 39.50 (including reviewing policy, instructions, guidance, etc.). When accounting for the reduction in burden hour of approximately 46 minutes (.76 hours), the estimated average number of hours per respondents is expected to decrease from 39.5 hours to 38.74 ($39.50 - 0.76=38.74$) hours. This estimated decrease in average number of burden hours is expected to result in an estimated total burden hours of 85,615.40 ($2,210 \times 38.74=85615.40$) hours. The proposed changes would result in a decrease of 1,679.60 ($85,615.40 - 87,295.00=-1,679.60$) burden hours for non-profit institutions and camp sponsors due to a program change.

2. **Section 225.6(c)(2) requires that new sponsors and sites, and, as determined by the State agency, sponsors and sites which have experienced significant operational problems, submit site information for each site where a food service**

operation is proposed. The rule proposes to permit sponsors in good standing in other Child Nutrition Program to follow application requirements for experienced sponsors when applying to SFSP.

FNS estimates that there are 426 new non-profit institutions and camps sponsors that will each file 1 report annually for a total of 426 responses ($426 \times 1=426$). Under the modified requirements, FNS expects the estimated average number of burden hours per response to decrease from 1 hour to approximately 53 minutes (0.89 hours), resulting in an estimated total burden hours of 379 ($426 \times 0.89=379$) hours. This proposed change would result in a decrease of 46.86 ($379 - 426=-46.86$) burden hours for non-profit institutions and camp sponsors due to a program change.

- 3. Section 225.6(c)(3) requires that experienced sponsors and sites submit site information for each site where a food service operation is proposed. The proposed rule will streamline application requirements for these experienced sponsors and sites that have already operated in the SFSP without significant operation problems.**

FNS estimates that there are 1,783 non-profit institutions and camps sponsors that will each file 1 report annually for a total of 1,783 responses ($1,783 \times 1=1,783$). Under this proposed amendment, the estimated average number of hours per response is expected to decrease from 1 hour to approximately 53 minutes (0.89 hours), resulting in an estimated total burden hours of 1,587 ($1,783 \times 0.89=1,587$) hours. This proposed change would result in a decrease of 196.13 ($1,587 - 1,783=-196.13$) burden hours for non-profit institutions and camps sponsors due to a program change.

- 4. Sections 225.6(e) and 225.14(c)(7) require that sponsors approved for participation in SFSP enter into written agreements with State agencies to operate the program in accordance with regulatory requirements.**

FNS estimates that there are 221 non-profit institutions and camp sponsors that will each file 1 report annually for a total of 221 responses ($221 \times 1=221$). The estimated average number of hours per response is expected to decrease from approximately 7 minutes (0.12 hours) to approximately 6 minutes (0.093 hours), resulting in an estimated total burden hours of 21 ($221 \times 0.093=21$) hours. These proposed changes would result in a decrease of 6.44 ($21 - 27=-6.4470$) burden hours for non-profit institutions and camp sponsors due to program changes.

- 5. Section 225.6(h)(2)(iii) requires that sponsors provide food service management Companies (FSMC) with a list of approved sites, along with the approved level for the number of meals which may be claimed for reimbursement for each site.**

FNS estimates that approximately 1,929 (34.93% of 5,524) sponsors contract with FSMCs. Of these, FNS estimates that 722 FSMCs will each file 1 report annually for a total of 722 ($722 \times 1=722$). The estimated average number of burden hours per response is 30 minutes (0.5 hours) resulting in estimated total burden hours of 386 ($722 \times 0.5=386$). There is no change in burden.

6. Section 225.6(h)(3) requires that all meals prepared by a food service management company be unitized unless the sponsors submit requests to State agencies for exceptions to the unitizing requirements for certain components of a meal.

FNS estimates that 1% of sponsors that have contracts with FSMCS will submit 1 of these requests. FNS estimates that 722 non-profit institutiton/camp sponsors hire food service management companies, 1% of that would be 7.22 that would file 1 report annually for a total of 7.22 ($7.22 \times 1=7.22$) responses. The estimated average number of burden hours per response is 30 minutes (.5 hours) resulting in estimated total burden hours of 3.86 ($7.22 \times .5=3.86$). There is no change in burden.

7. Sections 225.6(h)(5) and 225.6(h)(2) require that sponsors submit to State agencies copies of the contracts with food service management companies, the bids received, and the reasons why the food service management company was chosen.

FNS estimates that there are approximately 722 food service management companies doing business with non-profit institutiton/camp sponsors in SFSP and that sponsors submit 1 report annually for a total of 722 annual responses ($722 \times 1 = 722$). The estimated average number of burden hours per response is 20 hours resulting in estimated total burden hours of 15,440 ($722 \times 20=15,440$). There is no change in burden.

8. Section 225.16(a) requires sponsors to submit to the State agency a copy of their letter advising the appropriate health department of their intention to provide a food service during a specific period at specific sites.

FNS estimates that approximately 2,210 non-profit institutiton/camp sponsors will submit a copy of their letter to the health department and will each file one report annually for a total of 2,210 responses ($2,210 \times 1=2,210$). The estimated average number of burden hours per response is 15 minutes (0.25 hours) resulting in estimated total burden hours of 553 ($2,210 \times 0.25=553$). There is no change in burden.

9. Section 225.6(c)(5) requires that camps submit copies of hearing procedures.

FNS estimates that 333 camps participate in SFSP. Each camp will file 1 report annually for a total of 333 responses ($333 \times 1=333$). The estimated average number of burden hours per response is 15 minutes (0.25 hours) resulting in an estimated total burden hours of 83.25 ($333 \times 0.25=83.25$). There is no change in burden.

AFFECTED PUBLIC: HOUSEHOLDS

1. Section 225.15(f) requires households enrolled in camps or closed enrolled sites to read instructions, complete free meal applications, and return to camps and sites.

FNS estimates that 58,365 households participate in SFSP camps or other sites where applications are used to determine the eligibility of individual children. Each household will file 1 report annually for a total of 58,365 responses ($58,365 \times 1=58,365$). The estimated average number of burden hours per response is 30 minutes (0.5 hours) resulting in estimated total burden hours of 29,182.50 ($58,365 \times .5=29,182.50$). There is no change in burden.

2. Section 225.15(j) requires households to provide written consent for sponsors to use or disclose information.

FNS estimates that 58,365 households participate in SFSP sites where written consent from children's parents or guardian are required. Each household will file 1 report annually for a total of 58,365 responses ($58,365 \times 1=58,365$). The estimated average number of burden hours per response is 15 minutes (0.25 hours) resulting in estimated total burden hours of 14,591.25 ($58,365 \times 0.25=14,591.25$). There is no change in burden.

RECORDKEEPING REQUIREMENTS

AFFECTED PUBLIC: STATE, LOCAL, AND TRIBAL GOVERNMENTS

1. Section 225.8(a), 225.7(d)(5) and 225.13(d) require state agencies to maintain accurate accounting records for reviews, appeals, and accounting.

FNS estimates that 53 state agencies will maintain 39 records for reviews resulting in 2,067 total records ($53 \times 39=2,067$). The estimated average number of burden hours per each record is 5 minutes (0.08 hours) resulting in 165.36 hours ($2067 \times 0.08=165.36$). Similarly, FNS estimates that 53 state agencies will each maintain 2 appeal records resulting in 106 records ($53 \times 2=106$) and estimated average number of burden hours per each record is 5 minutes (0.08 hours) resulting in 8.48 hours ($106 \times 0.08=8.48$). For accounting records 53 state agencies will each maintain 104 records resulting in 5,512 ($53 \times 104=5,512$) and estimated average time per each record is 5 minutes (0.08 hours) resulting in estimated total burden hours of 440.96 ($5,512 \times 0.08=440.96$). There is no change in burden.

2. Sections 225.15(a), 225.15(c), and 225.15(g) require sponsors to maintain records that justify all costs and meals claimed.

FNS estimates that 3,314 Local/Tribal Government sponsors will each maintain 1 record for a total of 3,314 records. The estimated average burden for each record is 5 minutes (0.08 hours) resulting in a total of 265 burden hours (3,314 x 0.08=265). There is no change in burden.

AFFECTED PUBLIC: BUSINESSES (NON-PROFIT INSTITUTIONS AND CAMPS)

1. Sections 225.15(a), 225.15(c), and 225.15(g) require sponsors to maintain records that justify all costs and meals claimed.

FNS estimates that 2,210 sponsors will each maintain 1 record for a total of 2,210 records. The estimated average burden for each record is 5 minutes (0.08 hours) resulting in a total of 176 hours and 48 minutes (.80 hours) burden hours (2,210 x 0.08=176.80). There is no change in burden.

2. Section 225.16(b)(1) requires camps and sponsors to maintain copies of the documentation establishing the eligibility of children receiving meals and all other meal service requirement information.

FNS estimates that 840 non-profit institution/camp sponsors will each maintain 104 records resulting in 87,360 (840 x 104=87,360) records. The estimated average burden hours for each record are 5 minutes (0.08 hours) resulting in a total of 6,989 hours (87,360 x 0.08=6,989). There is no change in burden.

3. Section 225.6(c)(5)(xii) requires that camps maintain records of hearings for three years.

FNS estimates that 333 camps participate in SFSP. Each camp will maintain 1 record of hearing annually for a total of 333 responses (333 x 1=333). The estimated average number of burden hours per response is 18 minutes (0.3 hours) resulting in estimated total burden hours of 99 hours and 54 minutes (0.9 hours) (333 x 0.3 = 99.9). There is no change in burden.

PUBLIC DISCLOSURE REQUIREMENTS

AFFECTED PUBLIC: STATE, LOCAL, AND TRIBAL GOVERNMENTS

1. Section 225.15(e) requires sponsors to annually announce in the media serving the area from which it draws its attendance the availability of free meals. Per FNS policy guidance SFSP 07-2014, *Expanding Awareness and Access to Summer Meals*, November 12, 2013, FNS encourages State agencies to complete this requirement for all sponsors in their State through an all-inclusive statewide media release.

FNS estimates that approximately 53 State agencies will make an announcement in the media once a year for a total of 53 ($53 \times 1=53$) responses. The estimated average number of burden hours per response is 15 minutes (0.25 hours) resulting in estimated total burden hours of 13 ($53 \times 0.25=13$). There is no change in burden.

2. Section 225.15(e) requires sponsors to annually announce in the media serving the area from which it draws its attendance the availability of free meals.

FNS estimates that approximately 3,314 Local/Tribal Government sponsors will make an announcement in the media once a year for a total of 3,314 responses ($3,314 \times 1=3,314$). The estimated average number of burden hours per response is 15 minutes (.25 hours) resulting in estimated total burden hours of 829 ($3,314 \times .25=829$). There is no change in burden.

AFFECTED PUBLIC: BUSINESSES (NON-PROFIT INSTITUTIONS AND CAMPS)

1. Section 225.15(e) requires sponsors to annually announce in the media serving the area from which it draws its attendance the availability of free meals.

FNS estimates that approximately 2,210 non-profit institution/camp sponsors will make an announcement in the media once a year for a total of 2,210 responses ($2,210 \times 1=2,210$). The estimated average number of burden hours per response is 15 minutes (0.25 hours) resulting in estimated total burden hours of 553 ($2,210 \times 0.25=553$). There is no change in burden.

AFFECTED PUBLIC: HOUSEHOLDS

There are no burden hours associated with public disclosure requirements for the households.