

LIHEAP Carryover and Reallotment Report

**OMB Information Collection Request
0970 - 0106**

Supporting Statement Part A - Justification

Revised August 2020

Submitted By:
Office of Community Services
Administration for Children and Families
U.S. Department of Health and Human Services

SUPPORTING STATEMENT A – JUSTIFICATION

Summary

1. Circumstances Making the Collection of Information Necessary

The federal Low Income Home Energy Assistance Program (LIHEAP) statute requires the Department of Health and Human Services (HHS) to collect data annually from all LIHEAP grantees regarding the status of obligated and unobligated funding (42 U.S.C. § 8626). HHS shall not make payment to a State for a fiscal year unless the State has complied with this reporting requirement with respect to the prior fiscal year. The amount held available from a prior fiscal year shall not exceed 10 percent of the funds awarded for that fiscal year (42 U.S.C. § 826(b)(2)(B)). Funds exceeding 10 percent shall be reallocated in the following fiscal year among all LIHEAP grantees (42 U.S.C. § 8626(b)(1)(C)).

The federal HHHS block grant regulations further require that the Carryover and Reallotment Report (Carryover Report) must contain the following information: (1) the amount of funds that the grantee requests to hold available for obligation in the following fiscal year, not to exceed 10 percent of the funds payable to the grantee; (2) A statement of the reasons that this amount to remain available will not be used in the fiscal year for which it was allotted; (3) A description of the types of assistance to be provided with the amount held available; and (4) The amount of funds, if any, to be subject to reallocation. See 45 C.F.R. § 96.81.

OMB approved the Carryover Report, under Clearance No. 0970 – 0106, on April 23, 2019 and made such approval effective May 1, 2019 for three years. However, HHS is seeking a non-substantive change request to this form in order to allow for line item reporting of supplemental funding appropriated by Congress.

2. Purpose and Use of the Information Collection

The CARES Act (Public Law 116-136, enacted 3/27/2020) adopted all of the normal LIHEAP statutory requirements—including reporting requirements—with the exception of providing additional flexibility for the period of obligation. LIHEAP grantees may obligate any portion of the supplemental CARES Act LIHEAP funds in FY 2020 and/or FY 2021, contingent upon their own rules for obligating their own funds (45 CFR 96.30(a)). The Coronavirus Response Additional Supplemental Appropriations Act, 2020 (S.4320) and The Heroes Act (H.R.6800) propose to do likewise for additional FY 2020 supplemental funds. Consequently, we are requesting a change to the Carryover Report to allow grantees to report separately CARES Act funding and, without any additional non-substantive change, other supplemental funds if Congress passes the appropriate legislation.

The Administration for Children and Families (ACF) intends to use the mandatory annual report to determine the amount of non-CARES Act LIHEAP funds to be reallocated. If the total amount available for reallocation for a fiscal year is less than \$25,000, the Department will not reallocate such amount. If the total amount available for reallocation for a fiscal year is

\$25,000 or more, the Department will reallocate such amount, except that the Department will not award less than \$25 in reallocated funds to any single grantee for any fiscal year and any source of funding that falls under a single Common Accounting Number (CAN).

3. Use of Improved Information Technology and Burden Reduction

The Carryover and Reallotment Report must be submitted to HHS electronically, via the On-Line Data Collection (OLDC) system. HHS required this method because it needed (1) to track submission; (2) assist grantees with their submissions in real time; (3) systematically validate the form's entries; and (4) quickly download the data therein.

4. Efforts to Identify Duplication and Use of Similar Information

The form is unique to LIHEAP. The only other form that requests this data (the LIHEAP Performance Data Form) is due three months later, (1) which is too late for HHS to help grantees obligate their funds during the FY20 fiscal year; and (2) for which the unobligated balance data is subject to change.

5. Impact on Small Businesses or Other Small Entities

This data collection effort does not involve small businesses. Only state, territorial, and tribal program offices are involved.

6. Consequences of Collecting the Information Less Frequently

It is necessary to collect the data annually in order to determine the amount of funds available for reallocation, to perform any reallocation required, and to monitor grantees' compliance with the statutory requirement not to carry forward greater than 10 percent of the funds payable during a fiscal year. Without this collection effort, there would not be timely reallocation of funds. The report is an effective way to obtain fiscal and performance data while the program is operating.

It is further necessary to collect data on unobligated CARES Act LIHEAP funds, and any other FY 2020 supplemental funds, with data on unobligated regular FY 2020 LIHEAP funds separately and simultaneously, to permit the accurate determination of LIHEAP funds subject to reallocation.

7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5

No special circumstances require the form to be collected in a manner inconsistent with the guidelines in 5 CFR 1320.6.

8. Comments in Response to the Federal Register Notice and Efforts to Consult Outside the Agency

In accordance with the Paperwork Reduction Act of 1995 (Pub. L. 104-13) and Office of Management and Budget (OMB) regulations at 5 CFR Part 1320 (60 FR 44978, August 29,

1995), ACF published a notice in the Federal Register announcing the agency's intention to request an OMB review of the original information collection activity, as renewed on April 23, 2019 (effective May 1, 2019) under Clearance No. 0970 – 0106. This notice was published on [August 17, 2018; in Volume 83, Number 160, Pages 41075 - 41076](#); and provided a sixty-day period for public comment. During the notice and comment period, HHS received one comment, on October 18, 2018. That comment raised the following:

To clarify expectations and reduce the burden of multiple REPORT revisions, Minnesota believes that a final REPORT should be required of all grantees on a specified date, no sooner than December 15th of each year. This requirement would allow time for final obligations to be adjusted (either upward or downward) as actual expenditures are finalized without the burden of requiring potentially multiple revisions to the REPORT. It would also ensure that HHS staff have reliable, timely, and accurate information on which to base allotment amounts.

In response to this comment, HHS did the following:

1. It pointed out the Carryover Report's multifold purpose (i.e., (1) to help grantees maximize their use of unobligated funding; (2) to identify grantees for monitoring or additional technical assistance; (3) to corroborate the amount of each grantee's unobligated funds; and (4) to advise HHS on how much funding it will need to redistribute);
2. It changed the report's instructions as follows:
 - a. To explicitly allow grantees to submit estimated data rather than final data by October 1, 2020;
 - b. To extend the deadline for reporting final data to December 31, 2020; and
 - c. To instruct grantees to "take reasonable steps to mitigate the risk of returned federal LIHEAP funding" but to allow them to adjust their submissions after December 31, 2020.

9. Explanation of Any Payment or Gift to Respondents

There are no payments or gifts associated with this data collection effort.

10. Assurance of Confidentiality Provided to Respondents

There is no assurance of confidentiality that is applicable to this collection.

11. Justification for Sensitive Questions

There are no sensitive questions in this collection.

12. Estimates of Annualized Burden Hours and Costs

The total annual reporting burden for the States, the District of Columbia, and Tribes for this report is estimated to be 1428 hours. The estimated burden represents respondent time needed to review the form and its instructions, prepare responses, and submit the data. There will be 204 respondents submitting reports. We estimate the total average burden to be 7 hours per respondent. This estimate combines (1) three hours per respondent from the ICR renewal that OMB approved April 23, 2019; and (2) four additional hours per respondent to cover the breakouts of funds from the CARES Act and potential other supplemental appropriations. A tabular breakdown of the burden hours estimate appears below:

ANNUAL RESPONDENT BURDEN ESTIMATES

Information Collection Title	Number of Respondents	Responses per Respondent	Average Burden Hours per Response	Total Burden Hours	Average Hourly Wage ¹	Total Annual Cost
Carryover and Reallotment Report	204	1	7	1428	\$77.25	\$110,313

We expect recordkeeping burden to be zero, given that grantees keep their records in automated data systems.

There are no costs associated with or resulting from start-up or record keeping. The data generally are available as part of each grantee's administrative planning for the program, and will not be prepared especially for this report. Therefore, we estimate the annual time and burdens to respondents for record keeping and start-up to be zero.

13. Estimates of Other Total Annual Cost Burden to Respondents and Record Keepers

There are no respondent costs associated with or resulting from start-up or record keeping other than those presented in our response to Question 12.. The data generally are available as part of each grantee's administrative planning for the program, and will not be prepared especially for this report. We expect the respondents to incur no additional capital or start-up costs, given that the associated costs—i.e., those for secure data transfer and processing—will be borne by ACF’s contractor.

14. Annualized Cost to the Federal Government

The estimated Federal cost of this information collection totals \$12,440. This estimate represents a \$5,940 increase from that on the 2018 ICR renewal request; \$2,755 comes from additional staff costs and \$3,185 comes from additional contractor costs.

ANNUAL FEDERAL GOVERNMENT COST ESTIMATES

¹ Average hourly wage is the approximate average LIHEAP Coordinator salary, including fringe benefits and overhead. The estimate derived from OCS’ estimate in the renewal of the 2018 RECS Data Match (previously approved under OMB Control Number is 0970-0486), inflated by three percent.

Cost Item	Hours	Hourly Wage Rate (unloaded) ²	Loading %	Hourly wage rate (loaded)	ODCs	Total Cost
Federal Staff ³	83	\$55.75	100%	\$111.50	\$0.00	\$9,255.00
Contractor ⁴	21	\$151.66	0%	\$151.66	\$0.00	\$3,185.00
Total	101					\$12,440.00

15. Explanation for Program Changes or Adjustments

This request is for a non-substantive change to the collection approved by OMB on April 23, 2019 under 0970-0106. It calls for grantees to report unobligated LIHEAP funds appropriated by the CARES Act separately from those appropriated by the regular FY 20 appropriations acts. ACF needs this change to determine how much such funds to reallocate or return to the Treasury. ACF proposes to increase the total burden hours for this request to accommodate the additional reporting requirements. ACF also proposes to increase the number of respondents from 177 to 204 due to a recent reassessment of reporting grantees.

16. Plans for Tabulation and Publication and Project Time Schedule

ACF will issue the form and its associated instructions in the form of an Action Transmittal. It will post the transmittal to its website and distribute the transmittal to LIHEAP grantees.

The form will be due by grantees, in estimated form, on October 1, 2020. It will be due in final form on December 31, 2020. However, ACF will require grantees to update or correct their submissions after December 31, 2020 to the extent that their programs' circumstances warrant.

This form, as changed, will allow ACF to determine how much in the way of FY20 LIHEAP funds must be reallocated to FY21. If ACF determines that that amount equals or exceeds \$25,000 then it will publish (1) a Federal Register notice (FRN) that states how much it plans to reallocate from each grantee; (2) a Dear Colleague Letter (DCL) that shows how much it ultimately reallocates and how much each grantee received; and (3) a second FRN that reiterates the information in the DCL.

17. Reason(s) Display of OMB Expiration Date is Inappropriate

The OMB Clearance number and expiration date will be displayed on the form.

² The hourly wage rate for federal staff derives from that of a GS-13 Step 5 employee in [OPM's 2020 hourly wage rate table for General Schedule employees in Washington DC](#).

³ The federal staff hours estimate comes from (1) the imputed number of hours from OCS' estimate of total costs and applicable wage rate associated with the supporting statement submitted under 201811-0970-006; and (2) an offhand estimate of 10 additional hours for OLDC changes.

⁴ The contractor staff hours estimate comes from an offhand estimate of one-quarter of federal hours. The contractor's wage rate estimate comes from the average of the cognizant contractor's FY14 and FY15 wage rates for similar tasks under HHSP233201250020A, inflated by three percent per year.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

There are no exceptions necessary for this data collection effort.