

**2021 SUPPORTING STATEMENT  
PAPERWORK REDUCTION ACT SUBMISSION FOR Rural Innovation Stronger  
Economy Grant Program (RISE)  
NEW INFORMATION COLLECTION  
OMB # 0570 – AB06**

**Terms of Clearance:**

**A. Justification**

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

Section 6424 of the Agriculture Improvement Act of 2018 (Farm Bill), P.L. 115-334, amended Subtitle D of the Consolidated Farm and Rural Development Act (the “Act,” 7 U.S.C. 2009cc) by adding the “Rural Innovation Stronger Economy Grant Program” (“RISE”) to be established by the Secretary of the U.S. Department of Agriculture (USDA).

The purpose of the RISE program is to create and enhance jobs and support industry clusters in low-income rural areas. This is achieved through grants awarded to a rural jobs accelerator partnerships consisting of non-profit entities, Tribal entities, institutions of higher education and public bodies with expertise in delivering economic and job training programs. RISE grant funds can be used to build or support a business incubator facility, provide worker training to assist in either the creation of new jobs, upskilling the present work force to a high-wage job, or developing a base of skilled workers that will enhance the opportunities to enter a high-wage job within existing industry segments in the region.

2. Explain how, by whom, and for what purpose the information is to be used.

Rural Partnerships wishing to apply for RISE grant funding must submit applications with specified forms, proposals, certifications, and agreements to the Agency electronically through Grants.gov.

The information provided will be used to determine applicant and project eligibility and to ensure that projects meet program goals and that funds will be used for authorized purposes.

Additionally, Partnerships that receive RISE grant funding are required to provide financial and program reports to ensure that the project is progressing, and that funds continue to be used for authorized purposes.

**REPORTING REQUIREMENTS – NON-FORMS**

Rural in character determination request. Due to the “adjacent” and “contiguous” language in the statutory definition of rural and rural area, a project may be in a rural “pocket” even though located near a city or town with a population of 50,000 or greater. If an applicant believes they are in one of those pockets, a unit of local government may petition the Under Secretary of Rural

Development for a “rural in character” designation. The petition must document why the petitioner believes the area is “rural in character” including, but not limited to, the area’s population density, demographics, and topography and how the local economy is tied to a rural economic base

Environmental analysis. Applicants are required to provide documentation as outlined in 7 CFR 1970, “Environmental Policies and Procedures”. This information is necessary for the Agency to comply with the National Environmental Policy Act of 1969 (NEPA).

**Concept Proposal.** Applicants may submit a concept proposal not less than 60 days in advance of the application deadline to receive an Agency review of program eligibility components, strengths and weaknesses of the proposal as well as an encouragement or discouragement letter. A discouragement letter does not preclude an applicant from submitting a complete application package. The concept proposal consists of the following items:

- Partnership information. Information on the membership and structure of the rural jobs accelerator partnership and the amount and source of matching funds is necessary for the Agency to determine applicant eligibility and ensure that financial requirements are met.
- Geographic region. A description of the geographic region to be served including the total population, economic characteristics of the region such as unemployment rates and income levels, industry sectors, their status, size and economic contribution to the region and all communities including metropolitan statistical areas and nonmetro low income communities within the region must be provided. The availability and planned enhancements of broadband service and other assets of the region should also be identified. The Agency will use this information to determine project eligibility, ensure compliance with statute and regulation and for scoring purposes.
- Industry cluster. The industry cluster(s) that will be prioritized by the Partnership with information on the firms and support industries in those clusters; descriptions of the status of the industry (as emerging, existing, or declining) any existing interconnection and networks within the industry cluster and a description of participation and scale of small and disadvantaged businesses within the industry cluster must be provided. Descriptions of opportunities or potential of industry growth in the region and competitive advantages of the region and industry cluster should be highlighted along with opportunities within the industry for the creation of or upgrading to high-wage jobs is also part of this discussion. The Agency will use this information to determine project eligibility and ensure compliance with statute and regulation. This information will also be used for scoring purposes in a complete application.
- Executive summary. An executive summary, project plan and scope of work must be provided with the applicant’s strategy, activities, budget, goals, and objectives for the use of RISE funds. Information on the sustainability of the partnership and jobs accelerator at the conclusion of the RISE grant period must also be provided. This information is used by the Agency to determine project eligibility and for scoring purposes.

## Application Content

- SAM registration. To do business with the Federal government, the lead applicant is required to register in the System for Award Management (SAM). Registration in SAM allows the applicant to complete the Online Representations and Certifications Application which replaces several paper forms.
- Identify known relationship or association with Agency employee. The lead applicant is required to notify the Agency whether or not they have a known relationship or association with an Agency employee. The Agency uses this information to determine if there is a potential conflict of interest and whether that conflict requires additional action by the Agency.
- Update previously submitted items. Applicants that submitted a concept proposal are not required to submit duplicate documents; however, they are required to update any information that has changed. The Agency will use the new information to ensure compliance with statute and regulation.
- Readiness demonstration. Applicants are required to provide descriptions of: the readiness of all partners in the partnership to contribute to the project; evidence of a formal agreement among the partners to deliver the RISE program; the demonstrated readiness to administer the RISE grant funds; how the project will be marketed in the region and how the partnership will measure success; plus, the timeline to complete proposed tasks and the schedule of implementation of each task. The Agency will use this information to ensure that, if awarded, grant funds will be used expeditiously and to set benchmarks and follow-ups during grant servicing to ensure project success.
- Targeted initiatives. Applicants are required to provide documentation on how the RISE project will deliver program initiatives and the project's impact to rural workers, small businesses, and jobs. The Agency will use the information to ensure that the project meets approved activities, statutes and regulations.
- Jobs and benefits to small and disadvantaged businesses. Applicants must identify the potential for their project to produce high-wage jobs and benefit rural small and disadvantaged businesses. The Agency will use the information to ensure that project meets approved activities, statutes and regulations.
- Region identification. The applicant is required to provide demographic information, a discussion on local and regional support for the proposed project and elaborate on current and future broadband services in the targeted region. The Agency will use the information to ensure that project meets approved activities, statutes and regulations.
- Financial information. Applicants must identify matching funds and any other sources of funds for the project, provide current financial statements and a narrative demonstrating financial feasibility and sustainability of the project. The information will be used by the Agency as part of the eligibility determination.

- Bonding and insurance. If awarded funding, the applicant must provide satisfactory evidence to the Agency that all officers of the applicant organization are authorized to receive and/or disburse Federal funds and are covered by such bonding and/or insurance requirements as are normally required by the applicant. This requirement provides documentation to the Agency to ensure proper safety measures are in place regarding the receipt of funds.
- Matching funds availability. The applicant is responsible for providing documentation that the required matching funds for the project have been received or remain committed at the date a financial assistance agreement is executed with the Agency. The Agency uses this to ensure that the project is financially feasible as well as its continued compliance with statutory requirements.
- Transfer of applicant. Any change to the jobs accelerator partnership prior to the obligation of funds must be approved by the Agency and will only be considered if the partnership entities are eligible in accordance with § 4284.1112.
- Application modification. Once submitted and prior to Agency award, an applicant may modify its application or scope of work. If the change is to the applicant partners or if the scope of work change is significant, the application will be treated as a new application.
- Application withdrawal. During the period between the submission of an application and the execution of grant award documents for an application selected for funding, the applicant must notify the Agency, in writing, if the project is no longer viable or the applicant is no longer requesting financial assistance for the project.

## **Servicing**

Programmatic changes – project cost or scope. Grantees may make changes to an approved project's cost or scope of work with Agency approval. Prior Agency approval is required for all increases in project costs. Prior Agency approval is required for a decrease in project cost only if the decrease would have a negative effect on the long-term viability of the project. The request for change of project scope will be used by the Agency to determine approval of the change request and whether the change will impact the remaining grant amount.

Programmatic changes – change in contractor or vendor. Grantees may make change an approved vendor or contractor with Agency approval. When seeking a change, the grantee must submit a written request to the Agency for approval. The proposed new contractor or vendor must have qualifications and experience acceptable to the Agency. The written request must contain sufficient information to demonstrate to the Agency's satisfaction that such change maintains project integrity.

Transfer of Financial Assistance Agreement. After the project is obligated and operational, the applicant grantee may request, in writing, a transfer of the financial assistance agreement to another entity. The information contained in the request must allow the Agency to determine if the proposed transferee is an eligible entity and can continue with the grant purpose using the available funds.

Disposition of acquired property. If, for any reason, a grantee disposes of any assets acquired with Federal grant funds, they must abide by the disposition of acquired asset requirements as outlined in 2 CFR 200 and departmental regulations. Required notifications and information are used to ensure proper disposal of acquired assets and reimbursement, if applicable, to the government.

Financial management. The grantees must provide for a financial system that will include: (i) accurate, current, and complete disclosure of the financial results of each grant; (ii) records that identify adequately the source and application of funds for grant-supporting activities, together with documentation to support the records. Those records must contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income; and (iii) effective control over and accountability for all funds. The grantee must adequately safeguard all such assets and must ensure that funds are used solely for authorized purposes. Records are to be made available to the Agency upon request.

Records management. The grantee will retain financial records, supporting documents, statistical records, and all other records pertinent to the grant for a period of at least 3 years after completion of the grant period. Retention of these records ensures the information is available for grant close out and in the event of questions or concerns regarding grant administration.

Audit requirements. If applicable, grantees must provide an annual audit in accordance with 2 CFR part 200 subpart F. This requirement keeps grantees in compliance with Federal auditing standards.

Semi-annual performance report. To be completed by the grantee on a semi-annual basis for the first two years and annually thereafter. This narrative is used by the Agency to confirm that progress is being made toward achieving the approved objectives and tasks of the project and monitor the performance of the applicant.

SAM registration maintenance. Each grantee (unless an exception, as outlined in 2 CFR 25.110(a) through (d), is approved by the Agency) is required to maintain an active SAM registration with current information at all times during which it has an active Federal award. Renewals to the applicant's SAM registration are required annually. The Agency uses the SAM site to ensure continued eligibility to receive Federal financial assistance.

Request for time extension. Grantees may request a one-time, no-cost extension of the grant term. Requests must be in writing and submitted no later than 90 days before the expiration date of the Federal Financial Assistance Agreement. The Agency will use the grantee's written documentation of challenges that prompted the request for extension to determine whether an extension is warranted.

Request for appeal. Agency decisions that are adverse to the individual participant are appealable, while matters of general applicability are not subject to appeal; however, such decisions are reviewable for appealability by the National Appeals Division (NAD). All appeals will be conducted by NAD and will be handled in accordance with 7 CFR part 11. The Agency and appeals staff will use information provided to determine appealability of issues as well as formulate responses.

## **System for Award Management (SAM) Registration Representation and Certifications**

### **REPORTING REQUIREMENTS - FORMS APPROVED UNDER OTHER OMB NUMBERS**

The responses and hours associated with each response on the following forms have not been included in the spread sheet that details the burden numbers because the burden for these are contained in other packages.

SF-424, "Application for Federal Assistance" (OMB No. 4040-0004). This is the standard application required to be completed for all Federal grant programs. It is completed by the grantee at the time of application and provides information necessary for the Agency to complete applicant eligibility determinations.

SF-424A, "Budget Information – Non-Construction Programs". (OMB No. 4040-0006). This is the standard form used by applicants to break down the line item budget costs in detail.

SF-424C, "Budget Information – Construction Programs" (OMB No. 4040-0008). This is the standard form used by applicants to break down the line item budget costs in detail.

SF-424D, "Assurances – Construction Programs". (OMB No. 4040-0009). This is the standard form signed by applicants to provide assurances that they will meet certain requirements of OMB Circular A-102.

SF-270, "Request for Advance or Reimbursement". (OMB No. 4040-0012). This is the standard form used by the grantee to request advances or reimbursement of cash outlays for projects with no construction component.

SF-271, "Outlay and Request for Reimbursement for Construction Programs" (OMB No. 4040-0011). This is the standard form used by the grantee to request advances or reimbursement of cash outlays for projects involving construction.

SF-425, "Federal Financial Report" (OMB No. 4040-0014). This is the standard form used by the grantee to confirm that funds are being spent in conformity with the budget and work plan.

SF-LLL, "Disclosure of Lobbying Activities" (OMB No. 4040-0013). Completed once, by the grantee, at the time of application to obtain disclosure of lobbying activities on the part of the grantee.

Form RD 400-8, “Compliance Review” (OMB No. 0575-0018 and 0575-0062). The grantee must maintain records and provide information to the Agency to allow completion of this form.

Form RD 400-1, “Equal Opportunity Agreement” (OMB No. 0575-0018). This form is completed once, at the time of application, by the applicant. It provides guidance to ensure compliance with Federal Equal Opportunity requirements for construction projects.

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 4280-2, “Rural Business - Cooperative Service Financial Assistance Agreement” (OMB No. 0570-0067). RBS and the grantee at grant closing execute the grant agreement. This document outlines the responsibilities of the grantee. This document is necessary to ensure grant funds are used only for the purposes and activities specifically approved.

### **System for Award Management (SAM) Registration Representation and Certifications**

These forms are not specifically required in the regulation as such the hours are not counted in the totals; however, the information contained in them is provided and certified to as part of the System for Award Management (SAM) Registration Representation and Certifications.

Form AD-1047, “Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions” or other written documentation” (OMB No. 0505-0027). This form certifies that the grantee is not presently debarred, suspended, or voluntarily excluded from covered transactions by any Federal department or agency.

Form AD-1048, “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions” or other written documentation” (OMB No. 0505-0027). This form, submitted by the grantee, certifies that lower tier participants are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any Federal department or agency.

Form AD-1049, “Certification Regarding Drug-Free Workplace Requirements (Grants) Alternative I - For Grantees Other Than Individuals” (OMB No. 0505-0027). This form identifies activities the grantee must carry-out to ensure a drug-free workplace as well as providing a certification to their compliance.

RD Form 400-4, “Assurance Agreement”. (OMB No. 0575-0018). This form is executed by the grantee and outlines the activities they will undertake to ensure compliance with Title VI of the Civil Rights Act of 1964, 7 CFR Part 15, and Rural Business-Cooperative Service regulations.

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.

SF-424B, “Assurances – Non-Construction Programs”. (OMB No. 4040-0007). This is the standard form signed by applicants to provide assurances that they will meet certain requirements of OMB Circular A-102. This form is specific to projects with no construction component. This form is not specifically required in the regulation; however, the information is provided and certified to as part of the System for Award Management (SAM) Registration Representation and Certifications.

3. Describe any consideration of the use of improved information technology to reduce burden any technical or legal obstacles to reducing burden.

The RISE program requires application submission via Grants.gov. The use of Grants.gov allows the Agency to receive the applications electronically. Applicants who receive funding will be encouraged, but not required, to submit, as applicable, performance reports, and the annual status reports electronically. The Agency will not totally require submission by electronic methods because some applicants may not have the technological expertise for electronic submission or may not have the equipment necessary for high technological information gathering.

4. Describe efforts to identify duplication.

The Agency is utilizing existing forms used in the current Rural Development grant and guaranteed loan programs, which includes the Rural Energy for America Program. If similar information is found to be available from another Federal agency, every effort is made to utilize that information as is or in an appropriately modified form for this program. In addition, only one application and set of forms and certifications is being requested. There will be no similar or existing information that could be submitted; therefore, there will be no duplication.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize the burden.

The information collection required for this initiative places little or nominal burden on small entities beyond that performed in normal business practice. The Agency is using industry-standardized data elements and documents, supplementing them with Government-wide forms that are familiar to many applicants. The Agency estimates less than 20% of RISE grant applicants are small businesses.

6. Describe the consequences to Federal program or policy activities if the collection were conducted less frequently.

The information collected under this program is the minimum necessary to conform to the requirements of the program regulations established by law. Information is collected when needed and cannot be collected less frequently and still meet the requirements of the programs. Failure to collect proper information could result in improper determinations of eligibility or improper use of funds.

7. Explain any special circumstances that require the collection of information to be conducted in a manner:
  - a. Requiring respondents to report information more than quarterly. There are no information requirements that require specific reporting on more than a quarterly basis.
  - b. Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it. There are no information requirements that require specific reporting in less than 30 days.
  - c. Requiring respondents to submit more than an original and two copies of any document. There are no information requirements that require more than an original and two copies.
  - d. Requiring respondents to retain records for more than 3 years. Retention of financial records, supporting documents, statistical records pertinent to the grant is required for 3 years after final grant disbursement, except when an audit finds the grantee in violation of the grant terms and conditions.
  - e. Not using statistical sampling. There are no such requirements.
  - f. Requiring use of statistical data classification that has not been reviewed and approved by Office of Management and Budget (OMB). There are no such requirements.
  - g. Requiring a pledge of confidentiality that is not supported by authority in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use. There are no such requirements.
  - h. 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 permissible by law. There are no such requirements.
8. Comments on Agency's notice in the Federal Register and efforts to consult with persons outside the Agency to obtain their views on the availability of data, frequency of collection, the clarity of the instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

This is a new program, as such there have been no applicants or previous collections.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

No payments or gifts will be provided to respondents, including no remuneration of contractors or grantees.

10. Describe any assurances of confidentiality provided to respondents and the basis for the assurances in statute, regulation, or Agency policy.

No assurance of confidentiality is provided to respondents for the information required. When necessary, the Agency will process any and all requests for release of records and information in accordance with the Privacy Act of 1974. However, in some instances, the information collected under the provisions of this program is not considered to be of a confidential nature. For example, organizations, such as not-for-profit entities and public bodies from which information is collected, are ordinarily required to make their activities available for public scrutiny.

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.

The information collected does not contain any questions of a sensitive nature such as sexual behavior, religious beliefs, or other matters commonly considered private.

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

The following table summarizes the estimated average annual burden associated with the RISE program. The attached spreadsheet provides the specific estimates.

| Burden Item            | Estimated Yearly Average Burden |
|------------------------|---------------------------------|
| Number of respondents: | 10                              |
| Annual responses:      | 441                             |
| Total hours:           | 593                             |
| Cost per hour:         | \$82.39                         |
| Total annual cost:     | \$48,857.27                     |

The wage rate utilized in the cost calculation are based on the Bureau of Labor Statistics, May 2019 National Employment and Wage Estimates United States retrieved from [http://www.bls.gov/oes/current/oes\\_nat.htm](http://www.bls.gov/oes/current/oes_nat.htm). The category of occupations is management. The professional wage rate is the median hourly wage rate for Public Relations and Fundraising

Managers, (Occupation Code 11-2030) of \$63.77. Historical data provided by the Bureau of Labor Statistics, Employer Cost for Employee Compensation, Supplementary Tables, National Compensation Survey, September 2020 is utilized to calculate the total cost of benefits. Benefits as a percentage of total compensation for private industry workers in professional and business services industries were 29.2% of total hourly compensation. See, ECEC - September 2020 Supplementary Tables (bls.gov), Page 11. Total hourly wage and benefits for the professional category, public relations and fundraising manager is \$82.39 per hour.

13. Provide estimates of annualized cost to the respondents.

There are no capital and start-up costs or operations and maintenance costs associated with this collection.

14. Provide estimates of annualized cost to the Federal Government.

The annual cost to the Federal Government to administer the program is estimated to be \$34,637.76 per fiscal year (see table). As the program will be administered in the National Office by a Program Analyst, Salary Table 2021-DCB of the general schedule for a GS-13, step 5 for the Washington-Baltimore-Arlington, DC-MD-VA-WV-PA locality area was used for wage calculation purposes. The cost of total benefits as a percentage of total hourly compensation for Federal Government employees has been calculated by multiplying 36.25% by the hourly OPM wage in accordance with OMB Memorandum M-08 13.

| Position        | Salary GS13 Step 5 | Benefits | TOTAL   |
|-----------------|--------------------|----------|---------|
| Program Analyst | \$55.75            | \$20.21  | \$75.96 |

Breakdown of Annual Cost by Activity:

| Activity                                | Number | Hours per Item | Total Hours | Rate    | Total Cost to Government |
|---|--------|----------------|-------------|---------|--------------------------|
| Review Concept Proposals                | 10     | 4              | 40          | \$75.96 | \$ 3,038.40              |
| Review and Score Applications           | 10     | 6              | 60          | \$75.96 | \$ 4,557.60              |
| Grant Awards (obligations)              | 10     | 4              | 40          | \$75.96 | \$ 3,038.40              |
| Time Extension                          | 2      | 2              | 4           | \$75.96 | \$ 303.84                |
| Appeal Request                          | 1      | 16             | 16          | \$75.96 | \$ 1,215.36              |
| Grant Closing                           | 10     | 4              | 40          | \$75.96 | \$ 3,038.40              |
| Project Scope/Vendor Change             | 4      | 4              | 16          | \$75.96 | \$ 1,215.36              |
| Payment Disbursement/Processing Reviews | 40     | 4              | 160         | \$75.96 | \$12,153.60              |
| Performance Report Reviews              | 20     | 4              | 80          | \$75.96 | \$ 6,076.80              |
| TOTAL                                   |        |                | 456         |         | \$34,637.76              |

15. Explain reasons for changes in burden, including the need for any increase.

New program; no previous collections.

16. For collection of information whose results are planned to be published for statistical use, outline plans for tabulation, statistical analysis, and publication.

The information collected will not be published for statistical use.

17. Approval not to display the expiration date for OMB approval.

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. Exceptions to certification statement.

There are no exceptions to the certification.

19. How is this information collection related of the Service Center Initiative (SCI)? Will the information collection be part of the one stop-shopping concept?

The SCI calls for changes to improve services to the United States Department of Agriculture (USDA) customers. USDA continuously strives to improve customer service, including facilitating one stop service for greater customer convenience in accessing USDA programs. Applicants will be able to access required forms, which are also accessible via the Grants.gov Web site.