

2022 Supporting Statement

Socially Disadvantaged Groups Grant Program (OMB No. 0570-0052)

A. Justification

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35, as amended), the United States Department of Agriculture (USDA), Rural Business-Cooperative Service (RB-CS), is requesting a revision of a currently approved information collection associated with agricultural production, processing, and marketing (Public Law 109-97) under the Socially Disadvantaged Groups Grant (SDGG) program.

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

The SDGG program was authorized by the Federal Agriculture Improvement and Reform Act of 2006 (Section 2744), and further updated by the Federal Agricultural Improvement and Reform Act of 2009 (Section 310B (e)) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932). The Act enables the Secretary of Agriculture to make grants to cooperatives, groups of cooperatives, and cooperative development centers where a majority of the board of directors or governing board is comprised of individuals who are members of socially disadvantaged groups and whose primary focus is to provide assistance to socially-disadvantaged groups.

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.

This information collection is vital for RB-CS to make decisions regarding eligibility of applicants and selection priority among competing applicants to ensure compliance with applicable laws and regulations and to evaluate the program.

RB-CS, its Program Management Division, and its staff will be the primary users of the information collected. The public can request a majority of the data requested of the grantees by RB-CS, except data that is confidential under the Freedom of Information Act. RB-CS will release only limited data during the processing of an application up until the grant is closed.

The following information are non-forms collected and accounted for under this collection package:

REPORTING REQUIREMENTS - NO FORMS

Executive Summary

In this section the applicant is to briefly describe the project, state the task to be completed, and other relevant information that provides a general overview of the project.

Budget/Work Plan

This part of the application is needed to document what the grant funds are to be used for and what is to be accomplished. This is important for evaluating the application and for monitoring to ensure that funds are used for what they were intended. This also provides the need for the project, the service area, the applicant's ability to accomplish the planned activities, who will be assisted, what impact is expected, and how the work will be performed. The information is needed to properly evaluate each application and select the most eligible applications for funding.

Eligibility Discussion

The information in this section is essential to determine if the applicant is eligible to apply. It also provides a detailed discussion on the use of funds for project activities, project area eligibility, timeframe for completion of the project, and satisfactory performance reporting required for current SDGG awards.

Scoring Criteria

This grant program is competitive. These criteria are necessary to score the application to ensure the highest-ranking projects receive the funds meeting the purpose of the Public Law 109-97.

Performance Measures

Performance measures are used to evaluate the number of cooperatives and socially disadvantaged groups assisted by the SDGG program.

Intergovernmental Review Comments

These comments, obtained by the applicant through contact with the State Single Point of Contact, are required to comply with Executive Order 12372 and to ensure that the proposed activity is not in conflict with strategic plans of State and local governments.

Project Performance Report

This report is needed to help the Agency ensure that projects in process are progressing satisfactorily and that completed projects have been completed and paid for in full. If cost overruns, deviations from the approved scope, or other problems do develop, this will help ensure that the Agency is made aware in time to help find a solution.

Grant Agreement

This document is a legal agreement between the grantee and the Agency. It provides terms and conditions the grantee must adhere to as a result of receiving the award.

System for Award Management (SAM) Registration, General Certifications and Representations

At the time of application, each applicant must have an active registration in SAM before submitting its application in accordance with 2 CFR 25. This registration must remain current, accurate, and complete at all times during which the applicant has an active Federal award or an application under consideration.

FORMS APPROVED UNDER THIS COLLECTION:

None.

REPORTING REQUIREMENTS APPROVED UNDER OTHER OMB DOCKET NUMBERS

Letter of Intent to Meet Conditions- OMB No. 0575-0015, OMB No. 0570-002, OMB No. 0570-0061, OMB No. 0570-0062, OMB No. 0572-0137 (Form RD 1942-46)- The grantee's signature is needed on this form to document that the part grantee has received the Letter of Conditions from the Agency and agrees to its terms and conditions. There are no changes to the form or the instructions.

Assurance Agreement- OMB No. 0575-0201 (Form RD 400-4)- Used to confirm that recipients of loan and grant assistance have been reminded of their obligations to comply with all the provisions of the Civil Rights Act of 1964 and regulations of the Agency.

Application for Federal Assistance (For Non-Construction)- OMB No. 4040-0004 (SF-424)- This form provides general information and signature documenting application. Accounted for in separate Request for Common Forms (RCF).

Budget Information-Non-Construction Program- OMB No. 4040-0006 (SF-424A)- The applicant is required to submit this budget form to provide a budget breakdown on the total project cost of a non-construction project.

Federal Financial Form- OMB No. 4040-0014 (SF-425)- This form is needed to provide a periodic summary of project costs incurred, with semi-annual and final reports required. It is necessary for the grantee to keep complete and accurate accounting records as evidence that the grant funds were used properly.

Request for Advance or Reimbursement OMB No. 4040-0012 (SF-270)-

This form is needed to document the grantee's request to draw grant funds.

3. Describe whether, and to what extent, the collection of information involves the use of automated electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection.

This collection involves the usage of electronic collection techniques. Applicants may directly apply for funding online through the Grants.gov website.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use as described in Item 2 above.

There is no duplication of information requested. If applicants are applying for other programs where similar information is required, the Agency would make every effort to use that information which is the same.

The forms required to apply to the SDGG program are all Standard Forms also used by other agencies and for other programs. Where Standard Forms do not exist, respondents are asked to provide the information in written form. Therefore, respondents can submit documents they already have or prepare new material in the format most convenient to them. The Agency requests that successful applicants complete several RD forms that specify the conditions they must meet to receive the grant award and submit copies of the information requested alongside their application(s) to prevent duplication.

5. If the collection of information impacts small businesses or other small entities (item 5 of OMB Form 83-I), describe any methods used to minimize burden.

The information collected is from cooperatives, groups of cooperatives, and cooperative development centers. The information collected is the minimum needed by the Agency to approve grants and monitor borrower performance. RB-CS has made every effort to ensure that the burden information collection on small entities is the minimum necessary to approve grants, monitor grantee performance, and carry out the authorized programs.

6. Describe the consequences to Federal program or policy activities if the collection is not conducted or conducted less frequently, as well as any technical or legal obstacles to reducing burden.

If the collection is not conducted, the Agency will not be able to make program decisions with respect to awarding grant funds or ensure that the intent of the statute is achieved. Additionally, the Agency will also not be in compliance with requirements established by 2 CFR 215 and 2 CFR 200.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- a. Requiring respondents to report information more than quarterly- There are information collection requirements for Form SF-270 that require respondents to report information more than quarterly.
- b. Requiring written responses in less than 30 days- There are no such requirements.
- c. Requiring more than an original- There are no such requirements.
- d. Requiring respondents to retain records for more than 3 years- There are no such requirements.
- e. Not utilizing statistical sampling- There are no such requirements.
- f. Requiring use of statistical sampling which has not been reviewed and approved by OMB- There are no such requirements.
- g. Requiring a pledge of confidentiality- There are no such requirements.
- h. Requiring submission of proprietary trade secrets- There are no such requirements.

8. If applicable, identify the date and page number of publication in the Federal Register of the agency's notice soliciting comments on the information collection. Summarize public comments received and describe actions taken by the agency in response to these comments. Describe efforts to consult with persons outside the Agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, reporting format (if any), and on data elements to be recorded, disclosed, or reported.

In accordance with the Paperwork Reduction Act of 1995, the Agency published a 60-day Notice in the **Federal Register** on July 20, 2022; Vol. 87; No. 138; page 43236. One comment was received but not relevant to this request for public comment. Three entities were contacted regarding the collection of information. No significant issues or comments were noted by the entities that were consulted. The following entities were contacted for feedback, their feedback was the following:

Montana Cooperative Development Centre

Overall, the interviewee at Montana Cooperative Development Center thought the process from application to award for the SDGG was seamless. The interviewee reported that the application and guidelines were easy to follow and that the award process has been beneficial. Additionally, the Center has been delighted with the SDGG program process and is thankful for the award and opportunity.

Gullah Farmers Cooperative Association

The interviewee at the Gullah Farmers Cooperative Association reported that this Association had an excellent experience working through the 2021 SDGG grant process and that the regulations are very clear as to the requirements and the manner of evaluation. Additionally, the application template helped to ensure that all the grant requirements were met. The Association was especially appreciative of Rural Development's support in responding to questions and providing guidance.

United Farmers USA

The interviewee relayed that the instructions were clear, but they had trouble uploading documents on Grants.gov. The interviewee also noted that their company thought that submitting their packages to the state office was a better experience than past ones.

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

No gifts or payments of any kind will be made to respondents.

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

Rural Development (RD) does support maintenance of confidentiality when appropriate. The Agency published a Privacy Act of 1974, System of Records (SORN) in the **Federal Register** on May 14, 2019 (84 FR 21315). A copy of that document can be found at <https://www.govinfo.gov/content/pkg/FR-2019-05-14/pdf/2019-09874.pdf>.

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 under this program is financial and does not contain any sensitive information such as sexual behavior and attitudes, religious beliefs or other matters commonly considered private.

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

Under this program, the renewed information collection submission is for 40 respondents, 309 responses, and 668 burden hours. The wage rates for the wage categories are selected from the Department of Labor, Bureau of Labor Statistics, 2021 National Occupational Employment and Wage estimates located at http://www.bls.gov/oes/current/oes_nat.htm. The Department of Labor's Bureau of Labor Statistics does not provide a wage rate for a grant writer. Therefore, an average wage rate was used of \$39 an hour for a management and middle-management salary. The estimated annual cost to respondents is \$25,350 (see attached spreadsheet for breakdown).

There have been approximately 40 respondents over the last 3 years, the number of awardees remained consistent from approximately 18 to 20 due to program funds availability as reflected in the table below:

<u>Number of Respondents</u>	<u>Number of Responses</u>	<u>Number of Responses per Respondents</u>	<u>Hours per Response</u>	<u>Total Annual Hours</u>
40	309	1	1	668
Total:				668

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information.

There are no start-up costs involved with this collection. There are no requirements for respondents to report information other than what is project specific and associated with specific funding applications. Once a request for financial assistance has been approved, grantees will be required to provide information that is required of them, as indicated in the Grant Agreement. Additional information is information the applicant would have available and would not be expected to recreate and, only requested under limited situations where formal mitigations measures have been required.

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

The annual cost for RB-CS to develop and administer this program is \$78,097.60. The review and eligibility determination for the program are completed by GS-12 and GS-13 staff in the State Office, and eligible applications are scored and ranked by a review panel consisting of GS-13 staff from the State Office and National Office level. A wage rate for a GS-13 Step 1 is used as a “blended rate” to calculate the cost to the Federal Government. Wages are from OPM’s 2022 GS Salary Table – DC Locality

(<https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2022/DCB.pdf>). In accordance with OMB Memorandum M-08-13, cost of total benefits for Federal Government employees has been calculated by multiplying 36.25% by the hourly \$51.18+ \$18.56 (benefits) = \$69.732 hourly wage.

The RB-CS estimated cost to the Federal Government to administer the activities of this program are broken down as follows:

Activity	Number	No. of hours	Rate (\$)	Total
Review application materials/eligibility determination	40	18	\$69.73	\$50,205.60
Approve grant and obligate funds	20	6	\$69.73	\$8367.60
Servicing/grant closing	20	14	\$69.73	\$19,524.40
SUB TOTAL				\$78,097.60

GRAND TOTAL				\$ 78,097.60
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15. Explain the reasons for any program changes or adjustments reported in items 13 or 14 of the OMB Form 83-I.

This submission is for a revision of a previously approved information collection since the collection was previously submitted. The number of respondents for this collection is 40 which is an increase of 4 respondents from the previous collection of 36 respondents. The number of responses was decreased from 316 in the previous collection to 309 in this collection. Additionally, the estimated number of burden hours was increased from 620 to 668. This adjustment is due to the increased number of applications and training that the State Offices received during the program’s application process. As a result of the number of trainings provided by the customer service for applicants, the number of respondents was increased from 36 to 40 respondents.

16. For collection of information whose results will be published, outline plans for tabulation and publication.

This collection of information will not be published for statistical purposes.

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.

RD will display the OMB number on the form.

18. Explain each exception to the certification statement identified in item 19 on OMB 83-I.

There are no exceptions to the certification statement identified in item 19 on OMB 83-I.

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

This information collection is not related to and will have no impact of the SCI initiative.