

## 2022 SUPPORTING STATEMENT

OMB Control No. 0572-0146

### 7 CFR 1774, Special Evaluation Assistance for Rural Communities and Households Program (SEARCH)

#### A. JUSTIFICATION

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

This package is being submitted under a regular clearance as a revision of a currently approved collection. The Rural Utilities Service (RUS) is requesting OMB clearance of the reporting requirements for 7 CFR Part 1774, Special Evaluation Assistance for Rural Communities and Households Program (SEARCH). The legislative authority for this grant program is under the Food, Conservation and Energy Act of 2008, Public Law 110-234 (Farm Bill) amending Section 306(a)(2) of the Consolidated Farm and Rural Development Act (CONACT) (7 U.S.C. 1926 (a)(2)). Under this authority, the Secretary may make grants available for no more than four percent of the total allocation for water and waste disposal activities.

Under the SEARCH program, the Secretary may make predevelopment and planning grants to public bodies, organizations operated on a not-for-profit basis, or Indian tribes on Federal and State reservations and other federally recognized Indian tribes. Eligible entities must be financially distressed and, in a city, town, or unincorporated area with populations of 2,500 or fewer inhabitants, according to the most recent decennial Census of the United States (decennial Census). The Agency will define financially distressed areas as those where the median household income of the areas to be served is either below the poverty line or below 80 percent of the statewide nonmetropolitan median household income. Up to 100 percent of the eligible cost of the grant may be funded and may not exceed \$30,000. The grant recipients may use the grant funds for feasibility studies, design assistance, and technical assistance necessary for application development. Monies must be used for water and waste disposal projects as authorized in Sections 306(a)(1), 306(a)(2) and 306(a)(24) of the CONACT.

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.**

Organizations applying for SEARCH grants must submit an application which includes an application form, various other forms and certifications, and supplemental information. RUS will use the information collected from applicants, borrowers, and

consultants to determine applicant eligibility, project feasibility, and the applicant's ability to meet the grant and regulatory requirements.

Failure to collect proper information could result in improper determinations of eligibility, improper use of funds, or hindrances in making grants authorized by the SEARCH program.

**Reporting Requirements – Non-Forms (written burden) Collected and Accounted for Under this Docket:**

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.

Documentation of Income Survey

Income data used must accurately reflect the service area. If an adequate representation cannot be obtained through the American Community Survey the applicant may receive authorization from RUS to obtain an Income Survey, which is completed by an experienced and independent third-party. Dependent on the number of users, metrics are established to determine how many responses are needed for the survey to be accepted.

Environmental Report

Projects awarded through the SEARCH program may lead to the development of capital projects, which require several technical documents. All capital financed are subject to the National Environmental Protection Act, among other laws. As an eligible use of program funds, SEARCH grants may provide funding that allow for the creation of the environmental report ("ER"), which is prepared by a qualified party. To meet the Agency's environmental regulations as set forth in 7 CFR 1790, applicants shall submit an environmental report for the geographical area(s) proposed to be served by the SEARCH program. The following reports are all applicable to the SEARCH program: (30) CATEX – no report, (20) CATEX w/report, and (11) Environmental Assessments.

Preliminary Engineering Report

Projects awarded through the SEARCH program may lead to the development of capital projects, which require several technical documents. An eligible use of funds under the SEARCH program is the development of the preliminary engineering report ("PER"), which is prepared by a qualified engineer. The PER indicates areas to be served, scope and need of the project, cost estimate, annual operating expenses, etc. RUS Bulletin 1780-2, Preliminary Engineering Report, lists the topics and provides the organizational structure for the report. Once it is complete, if it is a part of the scope of the SEARCH award, the report is reviewed and approved by RD/RUS Engineering staff.

### Feasibility Study

Projects awarded under the SEARCH program may lead to the creation of technical documents that are necessary to develop a capital project. Not in every instance is the applicant ready to proceed with a PER or ER, so a feasibility study or system assessment may be developed. Feasibility studies review the community's needs, available technologies, and any barriers there may be to development. This document is often a first step toward the creation of a PER. Once it is complete, if it is a part of the scope of the SEARCH award, the report is reviewed and approved by RD/RUS Engineering staff.

### Audits Based on Federal Assistance

Borrowers must submit audited financial statements annually in accordance with 2 CFR 200 and other governing regulations. 2 CFR 200 has been recently updated by the COFAR to provide updated guidance on modified reporting standards, which are being codified in the appropriate prevailing instructions and guidance.

### Evidence of Other Funds

In the instance that funds are leveraged from other sources for projected authorized under this program, evidence of the availability of monies should be collected. There is no leveraging requirement, so this is only applicable in said instances.

### Supporting Documentation

Applicants must provide documentation of legal organization and authority to borrow funds, construct, operate, manage the facility, etc. The documentation may include articles of incorporation, certificate of incorporation and good standing, bylaws, rules, and organizational minutes. Applicants also must provide financial information such as financial statements, audits, or existing debt instruments. This information is necessary for RUS to determine an organization's legal existence, authority to perform certain functions, and financial capacity to borrow funds.

### Statement on availability to obtain credit elsewhere

Applicants must certify in writing that they are unable to finance the proposed project from their own resources or through commercial sources at reasonable rates and terms. The CONACT, as amended, requires the credit elsewhere analysis and statement. Form RUS Bulletin 1780-22, Eligibility Certification, may be used by borrowers.

### Project Narrative

Applicants will provide a project narrative detailing the project to be financed with the SEARCH grant funds. The narrative will also provide details on the activities or tasks to be accomplished, objectives, timetables for task completion, and anticipated results.

### Certifications for Contracts, Grants, and Loans (Regarding Lobbying):

Applicants must identify and report any known lobbying activity.

#### Certification regarding prohibited tying arrangements.

Applicants that provide electric service must provide the Agency a certification that they will not require users of a water or waste facility financed under this part to accept electric service as a condition of receiving assistance.

#### Statement Concerning Assistance Under the National Forest Service-Dependent Rural Communities Economic Diversification Act.

Applicants must contact the Forest Service and RUS to find out if any geographical or local areas have received grants for technical assistance to a forest-dependent rural community in a five-year period. SEARCH grant funds cannot be used to duplicate technical assistance provided to a forest-dependent rural community under the National Forest-Dependent Rural Communities Economic Diversification Act of 1990. Applicants must submit documentation that such duplicate assistance has not been given.

#### Public Information/Evidence of Public Notice

Applicants must publish a notice of intent to file an application with RUS in a general circulation newspaper. Applicants also must conduct a public information meeting to allow public input into the proposed project when an election by the membership or public referendum is not required. They must provide RUS a copy of the published notice and minutes of the public meeting, which serve as documentation of the meeting.

#### Agreement for Engineering Services/Professional Services

Applicants must contract for the professional services rendered from an engineer, attorney, bond counsel, accountant, auditor, appraiser, or financial advisor. Contracts or other forms of agreement for services necessary for project planning and development are subject to RUS concurrence. Applicants must submit a narrative of the services to RUS for review and concurrence to ensure the needed services will be available at a reasonable cost.

#### Letter of Conditions

The Letter of Conditions is a narrative document that outlines all of the terms and conditions of the proposed award, which vary by project. The document is initially prepared by RUS/RD staff, however, each section is reviewed and concurred with the applicant's authorized representative. RUS Bulletin 1780-19, Water and Waste Letter of Conditions, provides the initial template.

#### Management Reports

All borrowers must furnish management reports that will provide management a means of evaluating prior decisions and serve as a basis for planning future operations and financial strategies. This requirement is necessary to help assure that the facility will be properly managed and to protect the financial interest of the Government.

#### Relationship or Association with RUS Employees

Applicants must identify and report any known relationship or association with a RUS employee such as close personal association, immediate family, close relatives, or business associates.

## **Record Keeping Requirements:**

### **Borrower and Contractors Shall Maintain Accounting Records for 3 Years**

These records are required so the Agency or the Comptroller General (or their representatives) may review them to determine that the borrower has complied with all financial requirements. This only applies in instances where there is a delay in processing.

## **Reporting Requirements – Forms Approved Under Other OMB Numbers:**

### **RD Form 1940-1, Request for Obligation of Funds** (cleared under 0570-0067, 0062)

In the instance that a project is deemed eligible, and monies are available, the Request for Obligation of Funds form is issued to the borrower. This form, used across all Rural Development programs, provides a summary of the terms of the award. The document is reviewed by both the RUS and the grantee, and then executed by both parties.

### **Form RD 400-8, “Compliance Review”** (cleared under 0575-0018).

In accordance with RD Instruction 1901-E and applicable statutes, a Compliance Review must be completed for each award. Subsequent reviews are to be completed as outlined. The purpose of the review is to ensure that there are no inequities in the service being provided. This also applies to the organization’s composition in addition to the system users. The Form RD 400-8 outlines the applicable questions and topics.

### **SF- 424, Application for Federal Assistance.** (cleared under 4040-0004)

Applicants use this form as a required cover sheet for applications submitted for SEARCH grants. The application is an official form required for all Federal grants and requests basic information about the applicant and the proposed project.

### **SF-424A, Budget Information--Non-Construction Programs.** (cleared under 4040-0006)

Applicants project costs and expenses for the grant project. The form also provides information on matching funds. This form is submitted as part of the pre-application and if the project is selected, as part of the formal application.

### **RD 400-1, “Equal Opportunity Agreement” and RD 400-4, “Assurance Agreement.”** (cleared under 0575-0018)

Applicants read and sign these forms to assure RUS that they agree to and will comply with Title VI of the Civil Rights Act of 1964, and the Equal Opportunity Clause under Executive Order 11246 of September 24, 1965.

### **RD 442-3, Balance Sheet and RD 442-7, Operating Budget.** (cleared under 0575-0015)

Applicants use the forms to state their current financial standing, project income and expense items, and a complete cash flow through the first full year of operations after they use the award proceeds. These projections are necessary in determining their current financial standing and need for grant proceeds.

RD 1942-46, Letter of Intent to Meet Conditions. (cleared under 0575-0015)

Applicants must certify on this form that they intend to meet the items set forth in the Letter of Conditions within the timeframe established therein. If such conditions are not met within said timeframe than the Agency retains the right to reconsider the terms offered.

RUS Bulletin 1780-12, Grant Agreement (cleared under 0572-0121)

The Grant Agreement sets forth the terms and conditions under which the applicant receives a RUS grant. Applicants and RUS must execute the document before RUS disburses grant funds.

RD 1942-8, Resolution of Members or Stockholders. (cleared under 0575-0015)

Nonprofit applicants prepare this form to indicate that the governing body has the authority to enter into a grant of a particular amount with RUS.

RD 1924-18, Partial Pay Estimate. (cleared under 0575-0042)

This form is used as a medium for the applicant to request grant funds for work related to the award.

Form RD 442-2, "Statement of Budget, Income, and Equity" (cleared under 0575-0015).

This form serves a dual purpose as a budget and an income and expense statement. RUS/RD generally requires new borrowers to submit it each quarter for the first 3 years so the agency can monitor financial progress in the early years of operation. The report is then discontinued for those borrowers that are progressing satisfactorily. As a budget report, borrowers must submit their budget estimates before the beginning of each fiscal year. In these cases only, column three is to be completed. Borrowers, at their option, may also use this form as a year-end income and expense statement when audited financial statements are not prepared. This form was previously listed as RD 442-14.

SF 3881 - ACH Vendor/Miscellaneous Payment Enrollment Form (cleared under 1510-0056)

This form is completed by both the grantee and their local banking representative. The form is executed by the local banking representative to confirm that the bank accounts that has been selected for the deposit of RUS monies is accurately represented and is an active account of the organization.

- 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 and responses, and the basis for the decision for adopting this means of collection.**

RUS is committed to complying with the requirements of the E-Government Act, to promote the use of the Internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes.

RUS introduced RD Apply, an electronic application system, in September 2015. The online application portal has been expanded to receive, and is actively receiving, applications for the SEARCH program. The system digitizes all feasible components of the application. RD Apply incorporates fields for basic, service area, project, and financial items. Also, it allows for the applicant to submit attachments and to electronically authorize numerous forms, including OMB documents. RD Apply is a secure, internet-based program accessible through any network ready device. RUS is aggressively promoting and encouraging the use of RD Apply.

In addition to RD Apply, RUS released the Electronic Preliminary Engineering Report (“ePER”) in September 2017, which further evidence efforts to fully automate the application process. This software is available for projects that will follow the Regular Application Procedures. It allows engineering firms to develop the required technical document through a standardized, yet customizable template. This cuts down on duplication, redundancy, and ensures that the document meets the required specifications. Also, ePER is able to communicate and transfer information to RD Apply reducing duplication.

For those that are unable to use RD Apply, the forms cleared under OMB 0572-0121, Water and Waste Loan and Grant Program, which form the basic application for this program, are available electronically on the USDA Service Center eForms website (<http://forms.sc.egov.usda.gov/eForms/welcomeAction.do?Home>). Applicants may find the forms needed for this program, complete them online, store them in electronic format, and print them for submission with the application package.

#### **4. Describe efforts to identify duplication.**

RUS regularly reviews financial assistance programs it administers to determine which programs may be similar in intent and purpose. If applicants or borrowers are applying to or participating in more than one RUS program simultaneously, the agency makes every effort to accommodate requests within the same set of applications and processing forms. If applicants are applying for or receiving a loan or other financial assistance from another Federal agency, RUS would use the forms and documents furnished the other agency as much as possible. Efforts are exemplified through undertakings such as the RUS Bulletin 1780-2, Preliminary Engineering Report for Water and Waste Disposal Program, which adopts an inter-agency template developed in coordination with the U.S. Environmental Protection Agency, U.S. Department of Health and Human Services, and U.S. Department of Housing and Urban Development.

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

The term “small entity” has the same meaning as the terms “small business”, “small organization”, and “small governmental jurisdiction” in accordance with 5 U.S.C. 601(6). The Small Business Administration (SBA) has established a [Table of Small Business Size Standards](#), which matches to industries described in the [North American Industry Classification System](#) (“NAICS”). According to the small business size standards, 100 percent of the applicants and borrowers of the programs covered herein are classified as small entities. Information to be collected is in a format designed to minimize the paperwork burden on small businesses and other small entities. All of the forms are available electronically and RUS does not prohibit transmission of the information electronically. The information to be collected is unique to each loan or grant and is the minimum RUS needs to approve loans and grants, monitor borrower performance, and carry out the authorized programs.

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

The information collected under these programs is the minimum necessary to conform to the requirements of the program regulations established by law. Information is collected when the applicant files an application for a grant for the purposes outlined in 7 CFR 1774. The information cannot be collected less frequently and meet the requirements of the program. Failure to collect information required to administer the program could result in improper determinations of eligibility or inability to determine proper use of funds.

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

**a. Requiring respondents to report information more than quarterly.**

There is no information collection requirement that require specific reporting on more than a quarterly basis.

**b. Requiring written responses in less than 30 days.**

There are no requirements for written responses in less than 30 days.

**c. Requiring more than an original and two copies.**

There may be some rare instances where more than the designated number of forms is necessary. For instance, payment requisition forms are signed by the contractor, engineer, applicant, and RUS/RD. This would require an original



and three copies. In certain instances, electronic copies of documents may be applicable.

**d. Requiring respondents to retain records for more than 3 years.**

In the instance that an applicant is in arbitration, mediation, or litigation, the applicant may be required to retain the appropriate documents beyond 3 years. Guidance is further outlined in RUS Instruction 1780-2, Servicing of Water and Waste Disposal Programs and RD Instruction 2033-A, Records Management in RD Field Offices.

**e. Not utilizing statistical sampling.**

Not applicable.

**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.**

On a rare occasion, an applicant such as a federally recognized tribe, may request some level of confidentiality. This is generally limited in scope, commonly relating to financials, and in no way impedes the ability of the Agency to properly examine and process the application. Otherwise, no pledge of confidentiality is required.

**h. Requiring submission of proprietary trade secrets.**

There is no requirement for submission of trade secrets.

**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.**

As required by 5 CFR 1320.9(d), a sixty (60) day Notice to request public comments was published in the **Federal Register** on July 21, 2022, at 87 FR 139, on page 43496. No comments were received.

The agency field offices maintain close contact with borrowers through RD Area and State Offices. Suggestions and comments are continuously solicited and considered by

RUS. In April 2022, RUS contacted the following individuals outside the Agency to obtain their views on the paperwork burden imposed by this regulation:

Professional Engineer  
The City of Climax  
Grand Forks, ND

The City of Climax is located in Polk County in Minnesota, in a truly rural area with a population of 267. The City was awarded \$30,000 in SEARCH grant funding, on January 28, 2021, to pay AE2S Engineers to prepare a Preliminary Engineering Report (PER) and an Environmental Report (ER). The study and report phase consisted of the preparation of a PER and ER for the 70 year old water system. The report explores water source or treatment options and the feasibility to connect to a nearby Rural Water System. Following the completion of the report, the City applied for and received Rural Utilities Service funding assistance for the capital project on September 3, 2021 which is currently under construction. The interviewee worked with the City of Climax as their engineer and project manager. The interviewee was aware of the SEARCH grant program through the employing agency, AE2S engineers. Application documents were easily obtained through the USDA website and were understandable along with the record keeping and reporting requirements. Overall, the level of information collected for the application appeared reasonable and led to the completion of the City's objective, a water project, which has been funded and is currently under construction.

Professional Engineer  
Free State Sewer Service and Water Supply Corporation  
Ben Wheeler, TX

Free State Sewer Service and Water Supply Corporation (FS3WSC) was created in July 2009 for the purpose of developing a plan to construct a wastewater collection and treatment system to serve the Ben Wheeler area in Van Zandt County, Texas. Ben Wheeler is an unincorporated area located on State Highway 64 at its intersection with Farm Roads 858 and 279. There are approximately 200 Equivalent Dwelling Unit's that could be served by this system. Area sewer service is predominately septic tanks with drain fields. The water system serving this area is Ben Wheeler WSC who do not provide sewer service. The entity received a SEARCH grant, on December 10, 2020, for preparation of a Preliminary Engineering Report (PER) and Environmental Report (ER) for creation of the entities wastewater treatment plant and collection system. The interviewee was made aware of the SEARCH grant program through USDA staff and was able to easily access the application forms through the USDA website. The level of information collected was reasonable and forms and servicing requirements were easy to understand and interpret. Ultimately the grant led to the completion of the PER and ER.

Utility Director  
Lakeport Water Association, Inc.  
Moore Haven, FL

The Lakeport Water Association, Inc. is a community based not for profit corporation which has a membership made up of the primarily residential customers it serves. The Board of Directors is elected from the membership. Lakeport is located in the unincorporated areas of Glades County, which has been designated as a StrikeForce County. Lakeport's unincorporated service area meets the criteria to be designated a financially distressed rural community as defined in RUS Instruction 1774 and the population of the area based on 2010 Census data is 2,266. The service area residents do not have a public sewer system available to them and existing septic tanks are old and in constant need of repairs. Due to their proximity to Lake Okeechobee and great concern with the quality of the water in the Lake. On May 15, 2019, they were awarded a SEARCH grant to pay the costs associated with the preparation of a Preliminary Engineering Report and Environmental Report to evaluate the possible development of a central wastewater collection and treatment system. The interviewee was made aware of the SEARCH grant program and obtained an application through USDA staff. The interviewee was able to access and understand the application forms easily. With agency assistance, the interviewee was able to understand the record keeping and reporting requirements. The SEARCH grant led to the completion of the objective to obtain a PER and ER on the proposed sewer project. No additional comments provided.

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

There is no payment or gift to respondents.

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

No assurance of confidentiality has been provided.

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

This collection does not contain questions of a sensitive nature.

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

The burden estimate information for this package was derived from past activity in the program. There were 100 applications received in FY 2019, 98 in FY 2020, and 65 in FY 2021. The average number of applications submitted during that timeframe was 88. During fiscal years 2019 through 2021, there were 97, 85, and 62 applications funded, respectively. The three fiscal years noted are considered to be typical. Therefore, the Agency anticipates receiving 88 applications and awarding approximately 81 grants.

See the attached spreadsheet for a breakout of the forms included in this package. The collection is summarized as follows:

Regulation	Number of Respondents	Total Annual Responses	Total Annual Hours
7 CFR Part 1774	88	1,337	5,985

RUS/RD estimates the burden to be \$313,697 to the respondents to comply with this regulation. RUS/RD estimates that for each request approximately 50 percent of this time is professional (2,993 hours) and 50 percent is clerical (2,992 hours). The primary professional respondent would be a town, utility, or corporate manager. The Department of Labor, Bureau of Labor Statistics, Standard Occupational Classification 2021 wage rates were used as the basis for the cost estimates. The mean hourly earnings for Clerical time are \$21.57 (43-4031 Court, Municipal, and License Clerks) and Professional time earnings are \$59.31 (11-0000 Management Occupations). The Local Government designation was used to classify the wage rates.

The standard rates are then multiplied by the fringe benefits published in the Employer Cost for Employee Compensation, Supplemental Tables, produced by the Bureau of Labor Statistics. For private utility workers. This figure provided was 29.6 percent<sup>1</sup>. This increased the wage rates to \$27.95 and \$76.87, respectively. The cost of the collection is summarized as follows:

Cost to the Public:

Wage Category	Hourly Wage and Benefits <sup>1</sup>	Hours	Cost of Burden
Professional time:	\$76.87	2,993	\$230,071
Clerical time:	\$27.95	2,992	\$83,626
			\$313,697

**13. Provide an estimate of the total annual cost burden to respondents or record-keepers resulting from the collection of information.**

There are no capital and start-up costs or purchase of services components involved with this collection.

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

<sup>1</sup> Benefit rates for private sector employees in Private trade, transportation, and utilities industry workers is provided by Bureau of Labor Statistics Historical Date issued in June, 2022 <https://www.bls.gov/news.release/pdf/ecec.pdf>. See: Employer Costs for Employee Compensation. Benefit as a percentage of total compensation for private sector employees in the utilities industry was 29.6% per Instructions for Updating the PRA package email.

Actions by the agency are necessary to administer the SEARCH program. This includes interactions and reviews completed at three different levels: (1) field office; (2) state office; and (3) National Office. Primarily, the field office, which may be an area or sub-area office, is responsible for processing and servicing the portfolio. The Area Specialist and any Area Technicians sit in the field office. This includes application intake, eligibility determinations, underwriting (funding recommendations), obligation, closings, project monitoring, and routine servicing actions. The state office is responsible for general oversight of the field offices, policy implementation, funding deployment, specialized actions, and coordination with the National Office. Program Support Staff, including the State Engineer, Architect, Environmental Coordinator, etc., sit in the state office. Thereby, technical documents prepared through this program, including the Preliminary Engineering Report, Environmental Report, Feasibility Studies, and other technical documents are processed at that level. The National Office is responsible for program oversight, policy creation/interpretation, maintaining reserves, and other advanced actions, such as specialized servicing.

Field staff perform approximately 70 percent of the processing. State office staff, including Program Support Staff, complete an estimated 20 percent of processing. Finally, National Office staff contribute roughly 10 percent of processing. Field and state office wage rates are \$48.78, based on the hourly wage rates for loan analysts (GS 12, Step 5) in the locality pay area of Washington-Baltimore-Northern Virginia. Using the preceding locality pay area, the National Office wage rates are \$58.01, based on the hourly wage rate for loan analysts (GS 13, Step 5). The estimated rate of cost of total benefits for civilian Federal Government employees is 36.25 percent <sup>2</sup> for percentage of benefits as a portion of total hourly wage and was provided by the OMB Memoranda referenced in the footnote below. Thereby, the total rate for field and state office staff is \$66.46, and it is \$79.04 for National Office staff. The wage rate used below  $[(66.46 * 90\%) \$59.81 + [79.04 * 10\%] \$7.90 = \$67.71)$  was calculated using a weighted average of the state, field, and national office time involved in the processing.

RUS estimates the cost to the Federal Government to administer the activities of this program to be \$453,927.84 per year.

Application review phase—32 hours X 88 applications X \$67.71=	\$ 190,671.36
Approval/following obligation- 48 hours X 81 obligations X \$67.71=	\$ 263,256.48
<b>Total Cost to the Federal Government:</b>	<b>\$ 453,927.84</b>

**15. Explain the reasons for any program change or adjustments reported in items 13 or 14 of the OMB Form 83-I.**

<sup>2</sup> Cost of total benefits as a percentage of total hourly compensation for civilian Federal Government employees exceeds that of private sector employees. OMB Memoranda indicate that the total Federal civilian position full fringe benefit cost factor is 36.25% per Instruction for Updating the PRA Package email.

This is a revision of a previously approved information collection. There was a decrease of 23 respondents from the previous collection of 111 respondents to 88 for this collection.

The current burden hours for this collection is 5,985 which is an increase of 2,605 from 3,380 burden hours in the previous collection. While there is a reduction in the number of applications, the change is due to the verification of time commitments related to certain financial and technical documents, including audits, engineering, and environmental reports. Additionally, updates were needed for the forms used in calculations due to changes in enabling legislature and procedures.

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

There are no plans for publication.

**17. If seeking approval to not display the expiration date for OMB approval of the information collected, explain the reasons that display would be inappropriate.**

No such approval is requested.

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

There are no exceptions requested.

**B. Collection of Information Employing Statistical Methods.**

This collection does not employ statistical methods.