

U.S. Small Business Administration
SBA Form 641, Counseling Information Form, and SBA 888, Management Training Report

Summary of Changes to Currently Approved Collection:

This information collection consists of SBA Form 641, Counseling Information Form, and SBA 888, Management Training Report. SBA has made the following changes to Form 641:

- Q.1a. *Type of Client*: Removed.
- Q.6. *Fax* Replaced to capture *Country* instead.
- Q.11. Separated *Participation in Surveys and SBA Communication*: from the Client Agreement.
- Q.12. *Preferred date & time for appointment* Removed.
- Q.14. *Race* Changed *American Indian or Alaska Native* to *Native American/Alaska Native*; added *Middle Eastern, Northern African, Prefer not to say, and Prefer to Self-Describe*.
- Q.15. *Ethnicity* Added *Prefer not to say*.
- Q.16. *Gender* Added *Non-Binary, Prefer not to say, and Prefer to Self-Describe*.
- Q.17. *Do you consider yourself a person with a disability?* Moved to Q.18; added *Prefer not to say*.
- Q.18. *Military Status* Moved to Q.19; added *Prefer not to say* and *Branch of Service*.
- Q.19. *Referred by?* Moved to Q.20.
- Q.20a. *Are you currently in business?* Moved to Q.21, added *Undetermined*, and (**STOP** form is complete) after *No* and *Undetermined*.
- Q.20b. *If yes, are you currently exporting?* Moved to Q.23 and amended question removing *If yes*.
- Q.21. *Name of Business* Moved to Q.22 and changed to *Company/Business Name*.
- Q.22. *Type of Business* Moved to Q.24.
- Q.23. *Business Ownership – What percentage of your business is male or female owned?* Moved to Q.25 and changed to *What percentage of your business is woman owned?*
- Q.24. *Date Business Started?* Removed.
- Q.25. *Do you conduct business online?* Moved to Q.26 and changed to *Conducting Business Online*.
- Q.26a. *Are you a home based business?* Removed.
- Q.27a. *Total No. of Employees* Moved to Q.28a and removed (*full & PT*).
- Q.27b. *Of total employees, how many are engaged in the exporting aspect of your business?* Moved to Q.28b and removed (*Full & PT*).

Q.30. *What is the nature of counseling you are seeking?* Moved to Q.13; aligned categories with the 888 topics; added (*select 2-3 topics only*); and changed *Technology/Computers* to just *Technology*.

Q.34. *Fax* Replaced to capture *Country* instead.

Q.39a. *Is the client currently in business?* Changed to *Is the client verified to be in business?*

Q.39b *Is the client currently exporting?* Moved to Q.42.

Q.40. *Date Business Started* Moved to Q.39b.

Q.43. *SBA or Resource Partner Service Contributed to the Following:* Moved to Q.45; added *No. of SBA Loans, No. of Non-SBA Loans, No. of Equity Transactions*; added *WOSB* (Women-Owned Small Business), *EDWOSB* (Economically Disadvantaged Women-Owned Small Business), *SDVOSB* (Service-Disabled Veteran-Owned Small Business) and *VOSB* (Veteran Owned Small Business) under *Certifications*, added *Economic Impact Disaster Loan (EIDL)* under *SBA Financial Assistance*.

Q.44. *What was the nature of the counseling you provided the client?* Moved to Q.46 and aligned categories to the 888 topics.

Q.45. *Referred Client to* Moved to Q.47; changed *PTAC* to *APEX Accelerator*; added *USEAC, SBA Disaster Assistance, SBA Capital Access (PPP), US Trade and Development Agency*.

Q.48. *History* Removed.

Q.52. *Did more than one Counselor participate in this counseling session?* Removed.

Appendix A. Removed list of countries; attached the *Country List Supplemental Document* and added link to attachment.

Added new picklist Q.17 *Sexual Orientation*.

Added Q.40a *Reportable Impact?* and help text (*New Business start attributable to Resource Partner assistance*).

Added Q.40b *Date of Reportable Impact*.

Added Q.41 *Client Company/Business Name*.

Added *Privacy Act Statement*

Added *Appendix B for Definitions*

SBA has made the following changes to Form 888:

Q.1. *Name of Office Providing the Service:* Changed to *Organization* and added *Organization* in front of *City/State*.

Q.2. *Organization* Removed.

Q.3. *Date Training Started (m/d/yy)* Changed to *Training Start Date (MM/DD/YYYY)*.

Q.6. *Title of Training* Moved to Q.2. and changed to *Training Title*.

Q.8. *Total Number Trained* Moved to Q.7; changed plural options to singular; added *LGBTQ, Active Duty, Spouse of Military Member, Total Underserved Trained, North African, and Middle Eastern*.

Q.9. *Total Number of Minorities Trained* Removed and *Race and Ethnicity* categories added to Q.8.

Q.10. *Training Topic* Moved to Q.8; changed to *Primary Training Topic*; added *Credit Counseling, Cyber Security/Cyber Awareness, Intellectual Property Training, and Disaster Planning/Recovery*.

Q.12. *Program Format* Removed.

Q.13. *Attendee Fee* Removed.

Q.14. *Total Gross Fee Income* Removed.

Q.15. *What is the dollar amount of fees that your organization received?* Moved to Q.12 and changed to *Dollar amount of the fees that organization received*.

Added new picklist Q.10 *Program Format Type*.

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

The U.S. Small Business Administration's (SBA) statutory mission is to "aid, counsel, assist and protect, insofar as is possible, the interests of small business concerns." The Agency's Office of Entrepreneurial Development (OED), Office of Veterans Business Development and Office of International Trade help to carry out this mission by providing training and counseling programs through partners (such as SCORE, Small Business Development Centers, and Women's Business Centers) to existing and prospective small businesses. These programs are funded by grants or cooperative agreements.

The recipients of these awards are required by the terms of their Notice of Award and outlined in each program's Notice of Funding Opportunity to collect the information on SBA Form 641 from each small business or prospective small business that receives one-on-one counseling or advisory services and to collect the information on SBA Form 888 for training events. SBA's Resource Partners submit this information to SBA via the Nexus System.

SBA must collect information in order to comply with sections 10, 21, 22, and 29 of the Small Business Act (15 U.S.C. §§ 639, 648, 649, and 656 respectively) which pertain to the information and reporting requirements for these programs. Excerpts of the pertinent texts from these sources are attached.

2. How, by whom, and for what purpose information will be used

The recipients of SBA counseling and training grant awards are required by the terms of their Notice of Award and as outlined in each Program Announcement, to collect the information on

SBA Form 641 (Counseling Information Form) from each small business or prospective small business that receives one-on-one counseling or advising, and to collect the information on SBA Form 888 (Management Training Report) for each group training session. SBA's Resource Partners submit this information to SBA via the Nexus system. This information is required to be submitted to SBA on no less than a quarterly basis however, the frequency could happen as often as daily.

The information is pertinent to management's analysis of each OED program or activity funded by SBA and assists SBA in evaluating the impact of each program or activity. The information is also used to support SBA's budget requests, performance plans, evaluations and other submissions made to the Office of Management and Budget, the President and the Congress.

3. Technological collection techniques

SBA is committed to promoting the use of technology to lessen the burden of data collection. SBA allows and encourages the Resource Partners to collect this information via their own electronic data base systems. Additionally, SBA has an electronic system that permits Partners using SBA Forms 641 and 888 to transmit the data electronically to SBA. This electronic system greatly lessens the burden on respondents and SBA, ultimately allowing for more efficient services to our clients.

4. Avoidance of Duplication

The information is unique to the programs identified above and is not collected in other programs at SBA or elsewhere. Each report provides new data on activities that happened during the reporting period; that data cannot be substituted for any other period. OED has worked with other SBA program offices to ensure the requested information is not being collected through other sources and/or partners.

5. Impacts on Small Businesses or Other Small Entities

This data collection obtains information from the small businesses that receive counseling, advising, and/or training from SBA's Resource Partners. In many instances, SBA partners collect the information via an online platform, which reduces the burden on small businesses. SBA is only requiring information that would be necessary to provide adequate business assistance the small business seeks and has worked with its Resource Partners to eliminate questions that are unnecessary.

6. Consequences if collection of information is not conducted

The data collected is critical to SBA's ability to meet regular statutory reporting requirements and performance management functions. As the grants provided to these partners exceed \$120M annually, it is critical that SBA collects this information for proper management and oversight of the programs. Without the data collection, SBA will be unable to effectively manage the counseling and training programs. If the information was collected less frequently, SBA would not be able to intervene in a timely manner when performance issues arise.

7. Existence of special circumstances

SBA Form 641 requests some confidential and proprietary information (e.g., contact information including name, physical address, email, phone number and demographics along with business information including number of employees, gross revenues/sales and profits of the business) to be gathered by Resource Partners. The training data collected on the SBA Form 888 is only reported to the SBA in aggregate form. This data is required in order to respond to specific mandates in sections 22 and 29 of the Small Business Act, 15 U.S.C. 656 and 649, and to generate data on SBA's counseling and training programs for reports to the U.S. Congress and the President. Section 22 mandates that SBA's Office of International Trade Associate Administrator establish annual goals to promote sales opportunities for small business good and services abroad, the data collected on both the SBA 641 and 888 will be used to report metrics by SBDCs, WBCs, and SCORE Resource Partners towards those goals. Section 29 mandates that SBA Administration submit to the Committees on Small Business of the House of Representative and the Senate a report (Management Report) on the effectiveness of all projects conducted under Women's Business Center Program; this report consists of the data collected on both the SBA 641 and 888. Only the client, SBA management officials, and the resource partner who is providing the counseling service will be privy to that confidential and proprietary information, protecting the integrity of the data. SBA has instituted procedures to protect confidentiality to the extent required by law.

8. Solicitation of Public Comment

SBA Resource Partners collects information from individual entrepreneurs and potential entrepreneurs at the point of initial client contact and update the information at subsequent interactions initiated by the clients.

Information is collected via the 641 and 888 by the individual resource partners. That information is required to be submitted to SBA via Nexus on a quarterly basis. The information is pertinent to agency management's analysis of each OED program or activity funded by SBA and assists SBA in evaluating the impact of each program or activity. The information is also used to support SBA's budget requests, performance plans, evaluations and other submissions or reports made to the Office of Management and Budget (OMB)

SBA seeks approval for continued use of the SBA form 641 and 888 and is looking for OMB Approval of 3245-0324. The required public comment notice was published in the Federal Register on 07/28/2023 in 88 FR 48941. All comments were due on or before 09/26/2023. During the comment period, SBA received and individually reviewed one hundred comments from the public, small businesses and apparent SBA clients. SBA reviewed each comment. The largest number of comments were related to (1) demographics; (2) recommending removing/changing fields or values; and (3) client privacy.

(1) Demographics

Respondents made comments on Military Status, Gender, Race, and Sexual Orientation; as well as comments on options of *Prefer not to say* and *Prefer to*

Self Describe. As part of the 641 form revision, the SBA aligned its demographics data collection to the SBA Equity Action Plan (08/24/2022).

(2) Recommending removing/changing fields or values

Respondents recommended removing Home Based Business, Preferred Date and Time of Appointment, and Full Time/Part Time selection. These removals were completed. Respondents recommended adding additional certifications. These additions were completed.

(3) Client privacy

Respondents provided feedback about question 11 and question 12 of the 641 form. Question 11 and 12 did not change from the previous version of the form and changes to these sections were not in scope of this form revision.

9. Payment of gifts

No payments or gifts will be made to respondents.

10. Assurance of Confidentiality

The primary purpose for collecting this information is to help SBA's continuing improvement of business counseling programs, to ensure effective oversight and management of entrepreneurial development programs and grants, and to meet Congressional and Executive Branch reporting requirements. Providing the requested information is required to obtain and/or retain benefits. Routine uses of this information are established in SBA's Privacy Act System of Record, SBA 11, Entrepreneurial Development--Management Information System published on November 3, 1999, at 64 FR 59819. Any personal information collected will be protected to the extent permitted by law, including the Privacy Act of 1974 and the Freedom of Information Act (FOIA). In addition, to the extent permitted under FOIA, confidential business information (CBI) will only be disclosed to contractor or Agency personnel assigned to work on these programs. Any Person concerned with the collection of this information, disclosure or routine use under the Privacy Act may contact the Freedom of Information/Privacy Acts Office, Small Business Administration, 409 3rd St., S.W., Washington, D.C. 20416.

The data is stored at SBA in Nexus which is password protected and accessible only to the Resource Partners and SBA. In addition to requesting consent to use their names, SBA Form 641 also notifies respondents that information will be kept confidential. SBA Form 888 does not request any Personally Identifiable Information or CBI.

11. Questions of a sensitive nature

In this data collection, individuals will be asked for the following information (Form 641 only) which may be considered sensitive: gender, military status, ethnicity, race, disability status, sexual orientation, and information about their businesses' financial situation, including revenue and financing obtained. Race and ethnicity questions were written in compliance with the OMB Standards for the Classification of Federal Data on Race and Ethnicity. SBA Form 641 contains a consent statement that describes how the information they provide will be handled.

The information collected is in response to statutory mandates and to facilitate compliance with various reporting requirements. Additionally, it is essential to the mission of the agency and to monitoring business performance. SBA only reports the data in aggregate in these reports. Any sensitive information disclosed to SBA is maintained in a Privacy Act System of Record, SBA-11, Entrepreneurial Development Management Information System, which was last published at 74 FR 14889, 14901 (April 1, 2009).

12. Estimate the hourly burden of the collection of information

The form 641 collects data on counseling clients of Women's Business Centers, Small Business Development Centers, and SCORE. The form 641 is filled out by both the client who has come in for counseling and the counselor at the center as the counselor is working with a client. The client does not fill out the 888. The 888 is filled out by the training coordinator who is an SBA grantee. SBA estimates the total annual burden for both forms to be 484,666 hours. The total annualized hour and costs burdens are set out below in Exhibit 1. As these forms are currently in use, the burden is based on the current burden experienced by respondents. The minor revisions of the form will not change the burden per respondent. The cost burden of SBA Form 641 is based on an estimated median annual income of \$63,727 for small business owners, which equates to an hourly rate of \$30.54¹ and an estimated median annual income for counselors of \$56,813 which equates to an hourly rate of \$25.39.

¹ See http://www.payscale.com/research/US/Job=Small_Business_Owner_%2F_Operator/Salary.

Exhibit 1. Information Collection Burden Estimates

SBA Form	Number of Respondents	Frequency of collection	Average Minutes Spent	Total Burden in Minutes	Total Burden (hours)	Cost Estimate per hour	Total Cost Burden
Form 641							
First Visit	1,000,000	1	20	20,000,000	333,333	\$ 30.54	\$10,179,990
Follow-Up Visit	550,000	1	15	8,250,000	137,500	\$ 25.39	\$3,491,125
SBA Form 641 Total	1,550,000				470,833	\$27.97	\$13,671,115
SBA Form 888	83,000	1	10	830,000	13,833	\$ 25.39	\$351,220
Total	1,633,000				484,666		\$14,022,335

13. **Estimate the total annual cost burden for submission**

See burden worksheet. There is no other annual cost burden to respondents or record keepers.

14. **Annualized Cost to Federal Government**

There is no cost to the federal government that would not have been incurred without this collection.

15. **Explanation of program changes in Items 13 or 14 on OMB Form 83-I**

The number of clients SBA is now supporting has increased.

16. **Collection of information whose results will be published.**

The results of this information collection will only be published in summary form as a means of providing SBA management officials, the Congress and the President with reports on program activity and participant outcomes. The reports are typically quarterly.

17. **Expiration date for collection of information**

SBA plans to display the OMB expiration date.

18. **Exceptions to certification in block 19 on OMB Form 83-I**

SBA is not requesting any exceptions to the certification.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Not Applicable, statistical methods will not be used.