

Supporting Statement For Paperwork Reduction Act Submissions

Program Summaries

The U.S. Department of Agriculture's Foreign Agricultural Service (FAS) provides U.S. agricultural commodities to feed millions of hungry people in needy countries through direct donations and concessional programs. USDA food aid may be provided through four program authorities: Food for Progress, Section 416(b), the McGovern-Dole International Food for Education and Child Nutrition Program, and Public Law 480 (P.L. 480).

The **Food for Progress (FFPr) program**, authorized by the Food for Progress Act of 1985, provides for the donation of or sale of U.S. commodities to developing countries and emerging democracies to support democracy and the expansion of private enterprise. To date, all food aid under this program has been by donation. The commodities donated through Food for Progress may be used for direct feeding programs, or they may be sold (or "monetized") in the recipient country and the proceeds used to support agricultural, economic, or infrastructure development programs. Assistance is provided through foreign governments, private voluntary organizations, cooperatives, and/or intergovernmental organizations.

The **McGovern-Dole International Food for Education and Child Nutrition Program** is authorized by the Food, Conservation, and Energy Act of 2008. This program helps support education, child development, and food security for some of the world's poorest children. It provides donations of U.S. agricultural products and financial and technical assistance to international school feeding and nutrition projects. The McGovern Dole program prioritizes programs in low-income, food-deficit countries that are committed to universal education.

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the

collection of information.

Information Required for Collection	Explanation and Reason for Information Collection	Legal Requirement
<i>Proposal: Introductory Statement, Plan of Operation, Initial Budget, SF-424, Proposed Results</i>	Applicants must submit to FAS a detailed program proposal that includes a SF-424, an introductory statement, a budget proposal, and a plan of operation that explains how it will carry out the program. The applicant must also submit a project-level framework that includes proposed outcomes of the activities. These submissions help determine an applicant's eligibility and competitive status for program funding.	7 C.F.R.1499.4 (Food for Progress) 7 C.F.R. 1599.4 (McGovern Dole)
<i>Agreements and Program Operation Budget</i>	Once an application is approved, a Participant must sign a legal agreement establishing the terms and conditions of the food donation program. Information collected within the application (plan of operation, budget, and outcomes) will be included in the legal agreement. The Participant must also submit a plan that describes the sale process for commodities when monetization is included in the project.	7 C.F.R. 1499.5 (Food for Progress) 7 C.F.R. 1599.5 (McGovern-Dole)
<i>Amendments to Agreements</i>	When a Participant needs to change the operational budget and/or the project design (for reasons unforeseen during the agreement negotiation), the Participant and FAS must negotiate an amendment to the agreement. An amendment is necessary to document the concurrence between FAS and the Participant to the changes in the project.	7 C.F.R. 1499.5 (Food for Progress) 7 C.F.R. 1599.5 (McGovern-Dole)
<i>Ocean Transportation Documents: Freight Invitations; Charter Parties or Booking Notes; Freight Offers; Freight Forwarder Certifications</i>	Participants or their freight forwarders must submit documentation related to procurement of ocean transportation, including freight forwarder certifications, ocean freight invitations for bid, charter parties or booking notes, and spreadsheets of freight offers. This information is submitted electronically through the Web-	7 C.F.R. 1499.7 (Food for Progress) 7 C.F.R. 1599.7 (McGovern-Dole)

	<p>Based Supply Chain Management System or by e-mail. If a Participant uses the services of a freight forwarder, the Participant must provide the name, contact information, and the freight forwarder's certification to FAS. A Participant must obtain advance approval from FAS for all invitations for bids for ocean transportation. Any freight bid that the participant proposes to accept must be submitted to FAS. This information is needed to ensure commodity shipments are at the lowest cost possible to the government and that they comply with sections 901(b) and 901b of the Merchant Marine Act of 1936.</p>	
<p><i>Freight Payments and Supporting Documentation</i></p>	<p>Invoices and supporting documents for freight payments are collected through the Web-Based Supply Chain Management System. This information is needed to allow FAS to maintain financial accountability and performance in the ocean transportation of commodities and to ensure commodity shipments comply with sections 901(b) and 901b of the Merchant Marine Act, 1936. Required information includes the following: (1) Invoice; (2) Goods Receipt; (3) Bill of Lading; (4) FGIS Official Stowage Examination Certificate; (5) National Cargo Bureau certificate of loading; (6) FGIS Container Condition Inspection Certificate for containerized cargo; (7) Signed US Food Aid Booking Note or Charter Party; and (8) Signed Notice of Arrival at First Discharge Port for Charter Shipments.</p>	<p>7 C.F.R. 1499.6 (Food for Progress)</p> <p>7 C.F.R. 1599.6 (McGovern-Dole)</p>
<p><i>Written Agreement Between a Participant and Subrecipients</i></p>	<p>A copy of the written agreement between the Participant and subrecipient is required before the commodity, sales proceeds, or program income can be transferred to the subrecipient. The Agreement requires subrecipient to pay the Participant for lost, damaged or misused commodities if the subrecipient is at fault.</p>	<p>7 C.F.R. 1499.12 (Food for Progress)</p> <p>7 C.F.R. 1599.12 (McGovern-Dole)</p>

<i>Documentation of Damaged or Lost Commodities</i>	Participants must provide a copy of the discharge survey to FAS. These surveys are collected through the Web-Based Supply Chain Management System or e-mail. If commodities with a value greater than \$1,000 are lost or damaged, FAS requires: (1) a written report explaining the circumstances of the loss or damage, (2) a certification by a public health official on commodity condition and exact quantity of damaged commodity that are disposed, and (3) a report of action taken to dispose of any commodities unfit for authorized use.	7 C.F.R. 1499.9 (Food for Progress) 7 C.F.R. 1599.9 (McGovern-Dole)
<i>Claims for Damage to or Loss of Commodities</i>	For damages or losses greater than \$20,000, the Participant must provide FAS with detailed information about the circumstances surrounding the damage/loss and the quantity and value of the damaged/lost commodities.	7 C.F.R. 1499.10 (Food for Progress) 7 C.F.R. 1599.10 (McGovern-Dole)
<i>Agreement Reporting Requirements: Semi-annual Financial and Performance Reports</i>	FAS requires that participants performance reports and financial reports on a semi-annual basis. These reports are necessary to ensure that commodities are dispersed, funds are spent, and activities are conducted in full compliance with the agreement. The information is collected within the electronic Food Aid Information System.	7 C.F.R. 1499.13 (Food for Progress) 7 C.F.R. 1599.13 (McGovern-Dole) 7 C.F.R. 3019.52 (All)
<i>Annual A-133 Audit</i>	Participants are required to submit an annual A-133 audit until all commodities are completely distributed and/or all proceeds from the sale of commodities are fully dispersed. These audits are necessary to ensure the Participant's financial accountability. The information is collected within the electronic Food Aid Information System.	7 C.F.R. 1499.13 (Food for Progress) 7 C.F.R. 1599.13 (McGovern-Dole) 7 C.F.R. 3019.26 (All)
<i>Compliance and Evaluation: Mid-term and Final Evaluation Reports; Program-Specific Audit</i>	FAS requires that all Participants submit an evaluation plan, performance monitoring plans, mid-term and final evaluation reports, and a program-specific audit. These evaluations and audits are financed by CCC or FAS administrative funds provided to the Participant. This	7 C.F.R. 1499.13 (Food for Progress) 7 C.F.R. 1599.13 (McGovern-Dole) 7 C.F.R. 3052.200

	information collection is essential to ensure the accountability of food assistance programs. The information is collected within the electronic Food Aid Information System.	
<i>Final Reimbursement Request</i>	When the program specified under an agreement is completed, a Participant may submit a final reimbursement request for administrative funds spent under the agreement. However, the Participant must return any funds advanced by CCC or FAS that have not been obligated. Additionally, any unspent monetization proceeds must be returned. This information is necessary to reconcile accounts once programming is finished.	7 C.F.R. 1499.6 (Food for Progress) 7 C.F.R. 1599.6 (McGovern-Dole)
<i>Agreement Closeout: Equipment Disposition Information, Tax Certification</i>	When an agreement is ready to be closed out, the Participant must account for the disposition of capital equipment purchased with program funds. Additionally, the Participant must certify that it has no outstanding payroll taxes on employees in the program country. This documentation is necessary to comply with federal regulations for grant close out. The information is collected within the electronic Food Aid Information System.	7 C.F.R. 1499.15 (Food for Progress) 7 C.F.R. 1599.15 (McGovern Dole) 7 C.F.R. 3019.71 – 3019.73 (All)
<i>Maintenance of Records and Reports</i>	Financial records, performance reports, and all other records pertinent to an award shall be retained for a period of three years from the date of submission of the final expenditure report. These records must be kept for use in post-program evaluation and to ensure compliance.	7 C.F.R. 1499.13 (Food for Progress) 7 C.F.R. 1599.13 (McGovern-Dole) 7 C.F.R. 3019.53 (All)

The implementation of two electronic systems – the Web-Based Supply Chain Management System and the Food Aid Information System have increased the efficiency and reduced the redundancy of the collection of information. Information collected at each point in the business cycle is retained and used by the systems at later points in the cycle. FAS strengthened the focus on results and evaluations and oversight of the sales process for commodities. These collections are necessary to respond to recommendations for improvements in monitoring and evaluation and oversight. The electronic systems allow for efficient collection and analysis of results and compliance.

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.

Information is collected from the Participant to determine its ability to carry out a food aid program, to establish the terms under which commodities will be provided, to monitor the progress of commodity distribution (including how transportation is procured), to monitor the progress of expenditure of monetization funds, and to evaluate both the program's success and the Participant's effectiveness in meeting intended results. An explanation of how and for what purposes FAS uses specific collected information is detailed in the list below.

- **Proposal (Introductory Statement, Plan of Operation, Initial Budget, SF-424):** FAS uses this information to select applicants for participation in food assistance programs. It is critical to program oversight that FAS be acutely aware of a Participant's qualifications and the project's objectives before providing funding to the applicant for the project.
- **Agreement and Operational Budget:** After a program is approved, the Participant enters into an agreement with FAS establishing the terms under which the commodities will be provided. The agreement and budget documents are necessary to establish that commodities donated under these programs are used effectively and in a way that is deemed acceptable by the Federal Government. FAS uses the agreement as a binding document governing project implementation.
- **Amendment(s):** Agreements are sometimes amended to accommodate changes in the budget or program objectives. Again, a legal agreement is necessary to establish that commodities donated under these programs are used effectively and in a way that is deemed acceptable by the Federal Government.
- **Ocean Transportation Documents:** The freight forwarders must submit to FAS documents related to transportation of the commodities, including freight invitations, charter parties or booking notes, freight offers, and freight forwarder certifications. FAS reviews these documents to ensure a fair tendering process and that the lowest cost vessels are approved for shipment. Additionally, FAS and the Maritime Administration use this documentation to ensure that cargo preference requirements are met.
- **Freight Payments and Supporting Documentation:** FAS uses this information to ensure financial accountability in ocean transportation and to ensure that commodity shipments comply with sections 901(b) and 901b of the Merchant Marine Act, 1936. Some of these documents are also utilized by USDA's Kansas City Commodity Office and by the Maritime Administration.
- **Agreement Between Participants and Subrecipients:** FAS reviews these documents to ensure that subrecipients are in compliance with the terms and conditions of the agreement between FAS and the participant. Additionally, the collection of these

documents is essential to project accountability and to ensure that all key parties implementing the project are taking required actions.

- **Documentation of Lost or Damage Commodities:** Discharge surveys and other damage/loss information are used by FAS to ensure that Participants are taking needed actions to recover damages from transportation companies. FAS retains the right to assume responsibility for claims if Participants do not perform satisfactorily. The documentation is critical in the event that litigation is required.
- **Documents Supporting Claims on Damaged or Lost Commodities:** In the case of extensive losses or damages, FAS uses this documentation to support claims for compensation for missing commodities.
- **Reporting Requirements:** FAS requires that participants submit semi-annual financial and performance reports. These reports are essential to FAS's monitoring of active food aid agreements. FAS analysts review these documents to ensure the transparent flow of commodities and monetization proceeds from commodity receipt until final distribution or expenditure. Moreover, FAS uses these reports to ensure that commodities are dispersed, funds are spent, and activities are conducted in compliance with the signed agreement. This information is needed to satisfy statutory requirements, to assure that public resources are used properly, and to prevent fraud and abuse.
- **A-133 Audits:** FAS staff review these documents (submitted annually) to ensure that participants are in financial compliance with federal regulations governing entities receiving US Government assistance.
- **Compliance and Evaluation Documents:** FAS requires mid-term and final evaluations as well as program-specific audits – conducted by an independent third party. FAS also requires evaluation plans and details on intended results. These collections help FAS to determine the effectiveness of each project and the contribution to the programs' results.
- **Final Reimbursement Requests:** FAS uses this information to make final payments to Participants and to deobligate unspent funds. This information is necessary to ensure that all accounts are reconciled when programming is complete.
- **Agreement Closeout:** Participants must submit a tax certification and equipment disposition in order to close an agreement. FAS uses this information to ensure that the agreement is in compliance with federal regulations for the close out of government grants.
- **Maintenance of Records and Reports:** The Participant must maintain records for a period of three years from the date of submission of the final expenditure report. FAS has the authority to inspect these records in order to evaluate a Participant's compliance with the terms and conditions of an agreement. Additionally, FAS uses these records to

evaluate whether a Participant should be selected to implement future programming. Finally, USDA and Congress sometimes use these records to evaluate the effectiveness of food assistance programs.

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. Also describe any consideration of using information technology to reduce burden.

The vast majority of information collected from Participants is submitted electronically through the Web-Based Chain Management System, the Food Aid Information System, or e-mail. This is a significant change from several years ago, when information was collected almost entirely by US mail and fax. The switch to electronic data collection has resulted in a significant reduction in both the required paperwork and in the time it takes Participants to prepare and submit the information. FAS has moved the application process, the grant agreements, reporting, and payment processes to the on-line Food Aid Information System. This transition has provided external stakeholders with a one-stop and consistent entry point. The system also reduces agency time in reviewing applications, agreements, payments, and reporting.

Procurements of commodity and freight for the food aid programs are handled within the Web-Based Supply Chain Management System. Suppliers and transportation companies enter their offers within the system, and USDA staff are able to review the offers and develop minimum-cost combinations of commodity and freight bids quickly. Awards are also handled within the system, and quantities purchased and shipped are tracked through the system to monitor any losses that occur during the handover from one business entity to another business entity. Invoicing and payments are handled by the system, which speeds up the processing of payments while maintaining solid controls against improper payments and maintaining strong controls on funds management.

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

FAS has made an effort to identify and eliminate duplication in information collection for food assistance programs. Some examples include:

- In a given fiscal year, freight forwarders that have already been approved as an agent for a country or private voluntary organization can send a simplified version of their certifications for each subsequent agent nomination.
- A-133 Audits: Even if a participant has multiple active food aid agreements, it is only necessary for the entity to submit one copy of its A-133 audit every year.
- Tax Certifications: Although FAS requires tax certification information on every active food assistance agreement, this information can all be submitted in the same document to

avoid unnecessary effort and paperwork.

- The electronic systems maintain data throughout the multiple points in the food aid business cycle. The data are aligned with the key parts of the business cycle and made available at multiple, relevant points. In summary, data is generally entered once and does not have to be re-entered at the multiple points in the business cycle.

FAS has eliminated or greatly reduced redundancy for each grant agreement and related procurement. Information collection is tied each grant agreement and related procurement. Each grant agreement and procurement has specific requirements and business opportunities for stakeholders that require separate information collections. A single information collection cannot cover multiple agreements and procurements.

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

FAS estimates that 15 respondents would be classified as small businesses. FAS has increased the use of electronic systems and has regular consultations with the respondents to provide guidance on their responses to the information collection.

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.

This information collection is necessary to satisfy statutory requirements and to assure that public resources are properly used under food assistance programs. These programs involve the delivery, use, and sale of agricultural commodities, and some information collection is necessary to establish a minimum level of accountability and to prevent fraud and abuse. Semi-annual reporting by participants permits the tracking and monitoring of commodities and monetization proceeds. Less frequent reporting would make it significantly more difficult to monitor and evaluate the effectiveness and compliance of Participants' program implementation.

Because FAS funds the transportation costs of food assistance programs, it is essential for freight forwarders to submit their documents to USDA for approval in order to ensure that transportation is procured in a fair manner and at the lowest cost possible to the federal government. Moreover, ship owners/brokers are required to submit documents to ensure that all the contractual obligations have been met prior to payment. Likewise, submission of discharge surveys is necessary in order to have a full accounting of the commodities shipped, including any losses or damages. Lessening any of these requirements could result in less accountability to the federal government in the freight procurement process.

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

- *Requiring respondents to report information to the agency more often than quarterly:*
Freight documentation is provided on a procurement-by-procurement basis, depending on the volume of commodities that need to be moved at any given time.
- *Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it:*
Respondents always are given more than 30 days to prepare reports, proposals, and evaluations.
- *Requiring respondents to submit more than an original and two copies of any document:*
This does not apply because the Participants submit information collection documents electronically.
- *Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years:*
This does not apply, because participants are only required to keep records for three years after the date that the final expenditure report is submitted. (7 C.F.R. 3019.53)
- *In connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study:*
There are no statistical surveys required by food aid information collections.
- *Requiring the use of a statistical data classification that has not been reviewed and approved by OMB:*
There are no statistical surveys required by food aid information collections.
- *Including a pledge of confidentiality that is not supported by authority established 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 is no assurance of confidentiality provided to respondents in food aid information collections.
- *Requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law:*
No confidential information is required by food aid information collections.

8. (A) If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 C.F.R. 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in

response to these comments. Specifically address comments received on cost and hour burden.

A Federal Register Notice was published on Wednesday, February 5, 2014, in Federal Register Vol. 79, No. 24, page 6884. (See attachment.)

FAS received one comment in response to the published Federal Register Notice. (Please see attached comment.) FAS notes that the respondent does not support any program that sends either tax dollars or food out of this country to any foreign land. Because this comment does not specifically address the information collection undertaken by FAS’s food assistance program, FAS did not take action related to this comment.

8. (B) 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, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

FAS contacted several private voluntary organizations and freight forwarders to obtain their estimates of the burden hours associated with preparing food aid information collections and maintaining records of those documents.

The following private voluntary organizations were contacted:

Organization	Contact Name	Contact Email
Catholic Relief Services	Jason Sullivan	Jason.sullivan@crs.org
FINCA	Jennifer Schmidt	Jennifer.Schmidt@finca.org
Land O’Lakes	Matthew Smith	MHSmith@landolakes.com
World Food Programme	John Nelson	John.nelson@wfp.org

The following freight forwarders were also contacted:

- Fettig & Donalty (contact: Mike Lagoon, 202-628-5700)
- BKA Logistics (contact: Mark Millard, 202-331-7395)

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

We do not provide payments or gifts to respondents other than for funding expenses directly related to food aid program implementation. These expenses could be associated with the transportation, storage, handling, and distribution of commodities and/or the administration and monitoring of programs.

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

There is no assurance of confidentiality provided to respondents in relation to this information collection. However, it is agency policy to keep confidential any information provided under this collection unless its release is required under a Freedom of Information Act request.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior or attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

There are no questions of a sensitive nature associated with this information collection.

12. (A) Provide estimates of the hour burden of the collection of information. Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Indicate the number of respondents, the frequency of response, annual hour burden, and an explanation of how the burden was estimated.

Approximately 68 different respondents are impacted annually by this information collection. Respondents can be divided into four general constituencies: grant recipients, freight forwarders, ship owners/brokers, and survey companies. There are 21 collection activities associated with this information collection. Chart A (attached) provides burden information for each information collection activity under food assistance programs. Estimates were obtained by using agency data and through consultation with food aid constituents, as explained in question number 8. Chart B (attached) provides a summary of the recordkeeping burden for each activity. Included below is more detailed information on the methodology and results of the burden hour calculation for each constituent group.

Grant Recipients

Total annual information collection responses from grant recipients totaled 1,251, resulting in a total of 106,156 burden hours. The recordkeeping burden totaled 861 hours. Thus, the total burden for grant recipients is 107,017 hours. (See rows 1-11 of Charts A and B for grant recipient burden hour calculations.)

It is worth noting that the total burden hour estimate for this renewal was less than the estimate conducted in the 2010 renewal. FAS improved the specificity within its requests for proposals, which allowed applicants to make more informed decisions. The number of total applications fell, but the proposals received were higher quality and focused on program priorities. The greater use of electronic systems also reduced the burden. The grant applicants surveyed for this renewal (as described in question 12) provide a very good sampling of the food donation

programs' participants and the information collected from them.

Methodology: FAS records were used to calculate the number of grant applicant respondents and the number of annual responses per applicant for each required information collection. Several grant applicants were then surveyed to develop the initial estimated hours per response. This number was then multiplied by the number of total annual responses to calculate the total annual burden hours.

Freight Forwarders

Total annual information collection responses from freight forwarders totaled 556, resulting in a total of 1,350 burden hours. The recordkeeping burden totaled 278 hours. Thus, the total burden for freight forwarders is 1,628 hours. (See rows 13-18 of Charts A and B for freight forwarder burden hour calculations.)

Methodology: FAS records were used to calculate the number of freight forwarder respondents and the number of annual responses per freight forwarder for each required information collection. Several freight forwarders were then surveyed to determine the estimated hours per response. This number was then multiplied by the number of total annual responses to calculate the total annual burden hours.

Ship Owners/Brokers

Total annual information collection responses from ship owner/brokers totaled 190, resulting in a total of 3,800 burden hours. The recordkeeping burden totaled 95 hours. Thus, the total burden for ship owner/brokers is 3,895 hours. (See row 19 of Charts A and B for freight forwarder burden hour calculations.)

Methodology: FAS records were used to calculate the number of ship owners/broker respondents and the number of annual responses per ship owners/broker for each required information collection. Several ship owners/brokers were then surveyed to determine the estimated hours per response. This number was then multiplied by the number of total annual responses to calculate the total annual burden hours.

Survey Companies

Total annual information collection responses from survey companies totaled 89, resulting in a total of 178 burden hours. The recordkeeping burden totaled 44 hours. Thus, the total burden for ship owners/brokers is 222 hours. (See row 20 of Charts A and B for freight forwarder burden hour calculations.)

Methodology: FAS records were used to calculate the number of survey company respondents and the number of annual responses per survey company for each required information collection. Several survey companies were then surveyed to determine the estimated hours per response. This number was then multiplied by the number of total annual responses to calculate the total annual burden hours.

Summary of Burden Hours

Total annual information collection responses from all respondents totaled 2,086, resulting in a total of 111,484 burden hours. The recordkeeping burden totaled 1,279 hours. Thus, the total burden for all respondents submitting food aid information collection is 112,763 hours.

12. (B) Provide estimates of annualized cost to respondents for the hour burdens of collections of information, identifying and using appropriate wage rate categories.

The average annual salary for an employee of a grant recipient is estimated at about \$72,000. This average is for personnel who are regularly involved with the information collections. This estimate is derived on information from grant recipients' budgets and a comparable salary for a GS-11, Step 5 U.S. Government employee in Washington. The average salary is thus equivalent to about \$35 per hour. The total annual burden for grant recipients is 107,017 hours. Total annualized cost to grant recipients is therefore \$3,745,595 (107,017 hours x \$35/hour).

The average annual salary for a freight forwarder is estimated at the GS-13/Step 5 level, or \$101,914. The average salary is thus equivalent to about \$49 per hour. The total annual burden for freight forwarders is 1,628 hours, and the total annualized cost to freight forwarders is \$79,772 (1,628 hours x \$49/hour). Additionally, the total annual burden for ship owners/brokers is about 3,895 hours. The total annualized cost to ship owners/brokers is thus estimated to be \$190,855 (3,895 hours x \$49/hour).

The average annual salary for a discharge survey company employee is estimated at the GS-9/Step 5 level, or \$59,098 – about \$28 per hour. (These salary estimates were obtained previously through discussions with a USDA transportation specialist from the Kansas City Commodity Office, who regularly deal with survey companies. Note that discharge surveys are performed at overseas ports, where the salaries are typically lower than what an equivalent worker earns in the United States.) The total annual burden for survey companies 222 hours. Total annualized cost to survey companies is therefore \$6,216 (222 hours x \$28/hour).

The total annualized cost to all respondents associated with food assistance information collection is **\$4,022,438**.

13. Provide estimates of the total annual cost burden to respondents or record keepers resulting from the collection of information (do not include the cost of any hour burden shown in items 12 and 14).

There is no additional cost to respondents or record keepers resulting from this information collection. All costs have been covered in questions 12 and 14.

14. Provide estimates of annualized cost to the Federal government. Provide a description

of the method used to estimate cost and any other expense that would not have been incurred without this collection of information.

We estimate that the annualized cost of this information collection to the Federal Government is **\$4,303,323**, which consists of \$1,615,051 in labor costs, \$448,272 for the Food Aid Information System, and \$2,240,000 for FAS' portion of the Web-Based Supply Chain Management System. This information is captured in Table 1 below.

Additionally, Table 2 further breaks down the labor costs of the Federal Government. Table 2 uses the number of people, their grades, and the percent of time that they spend on information collection to calculate the total associated labor cost. (Note that salaries for all grade levels are assumed to be at the step 5 salary rate.)

Table 1: Total Federal Government Costs				
Labor (See Table 2)		\$1,615,051		
Computer Systems		\$2,688,272		
Total:		\$4,303,323		
Table 2: Federal Government Labor Costs				
<i>Grade</i>	<i>Salary</i>	<i># People</i>	<i>Percent of Time</i>	<i>Total Cost</i>
GS-7	\$48,315	1	30%	\$14,495
GS-8	\$53,508	1	10%	\$5,351
GS-9	\$59,098	4	75%	\$177,294
GS-11	\$71,504	2	60%	\$85,805
GS-12	\$85,703	9	60%	\$462,796
GS-13	\$101,914	13	60%	\$794,929
GS-14	\$120,429	5	10%	\$60,215
GS-15	\$141,660	1	10%	\$14,166
			Total:	\$1,615,051

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-1.

This is a reinstatement of a previously approved information collection resulting in a program decrease in burden hours. The reduction in burden hours is attributable to the increased the use of electronic systems and improved clarity in solicitations for proposals that have reduced the submission of low-quality or non-responsive proposals. The electronic system has also reduced redundancy in information collection.

16. For collections of information whose results are planned to be published, outline plans for tabulation and publication.

There are no plans to publish data from this information collection.

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.

We are not seeking approval to not display the expiration date for OMB approval of the information collection.

18. Explain each exception to the certification statement identified in Item 19 “Certification for Paperwork Reduction Act.”

The agency is able to certify compliance with all provisions under Item 19 of OMB Form 83-I with the exception of (g)(vi). We are currently requesting approval and an OMB control number to display on attached forms.