

2021 SUPPORTING STATEMENT
0572-0150
7 CFR Part 1784,
Rural Alaska Village Grant Program

This package is submitted under a regular clearance as revision of a currently approved collection.

A. JUSTIFICATION

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

The Rural Alaska Village Grant (RAVG) Program is authorized under Section 306D of the Consolidated Farm and Rural Development Act (CONACT), (7 U.S.C. 1926(d)), as amended. Governing regulations are codified in 7 CFR Part 1784. Under the RAVG program, the Secretary may make grants to the State of Alaska for the benefit of rural or Native Villages in Alaska to provide for the development and construction of water and wastewater systems to improve the health and sanitation conditions in those Villages.

To be eligible to receive a grant under the RAVG program, the project must provide 25 percent in matching funds from the State of Alaska. The matching funds must come from non-Federal sources. The Secretary shall consult with the State of Alaska on a method of prioritizing the allocation of grants according to the needs of, and relative health and sanitation conditions in, each village. Not more than 2 percent of the amount made available for a fiscal year may be used by the State of Alaska for training and technical assistance programs relating to the operation and management of water and waste disposal services in rural and Native Villages. Appropriated funds shall be available until expended.

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.

RUS state and field offices collect the information from applicants, grantees, and consultants. They use the information to determine applicant eligibility and project feasibility. They also use the information to ensure that grantees operate on a sound basis and use the grant funds for authorized purposes.

The RAVG program regulation, 7 CFR Part 1784, is divided into five subparts, A, B, C, D, and E. Subpart A contains the general provisions for the grant program including definitions and the objective of the program. Subpart B contains the grant requirements such as eligibility and eligible grant purposes. Subpart C contains the grant application processing information and the types of applications accepted. Subpart D contains the grant processing information such as planning, development, and procurement; disbursement of funds; accounting methods and reporting; grant servicing and subsequent grants. Subpart E contains design, bidding, contracting, constructing, and inspections requirements.

The Agency has made the instructions to forms available on the USDA eForms website at: <https://forms.sc.egov.usda.gov/eForms/welcomeAction.do?Home>.

REPORTING REQUIREMENTS – NON-FORMS

Form - RD Instruction 1940-Q, Exhibit A-1, “Certification for Contracts, Grants, and Loans” Applicants read and sign this certification. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352.

Written – Approved Contract Documents

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 them to RUS for review and concurrence to ensure the needed services will be available at a reasonable cost.

Written - 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.

Written - Land Surveyors Certification and Opinion of Right of Way

The document will include legal descriptions of lands created for parcels and shown in referenced documents are true and correct.

Written - Civil Rights Compliance Assurance Self Certification

Applicant certifies that it will comply with Title VI of the Civil Rights Act of 1964. The certification can be a written self-certification statement.

Written - Approved Business Plan

The business plan will include the resolution adopting the plan and outline the proposed O&M costs, rate structures, short-lived asset rate schedule and associated materials.

Written - Preliminary Engineering Report

Applicants must submit a preliminary engineering report (PER) prepared by a qualified engineer. The PER indicates areas to be served, scope and need of the project, cost estimate, annual operating expenses, etc. This report is necessary for RUS to determine project feasibility.

RUS Bulletin 1780-12; RAVG - Grant Agreement

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. Grant Agreements specific to RAVG program participants are added to the bulletin as follows:

1. RAVG Grant Agreement for Alaska Native Tribal Health Consortium (ANTHC)
2. RAVG Grant Agreement for State of Alaska, Department of Environmental Conservation (SOA-DEC)

Written - Audits

Grantees must submit audited financial statements annually in accordance with Generally Accepted Government Auditing Standards (GAGAS). The audit must comply with the requirements of OMB Circular A-133, "Audits of State, Local Governments, and Non-Profit Organizations" or Water and Waste Disposal audit requirements. The requirements for submitting an audit report under OMB Circular A-133 are based on the total amount of Federal financial assistance expended during a grantee's fiscal year from all Federal sources. Grantees that expend \$750,000 or more in a year in Federal awards must have a single audit conducted for that year under OMB Circular A-133. Those that expend less than \$750,000 in Federal awards and have an outstanding RUS loan balance equal to or greater than \$1,000,000 must submit an audit in accordance with Water and Waste Disposal audit requirements. Grantees expending less than \$750,000 in Federal assistance and having a RUS loan balance less than \$1,000,000 may submit a management report instead of an audit report. RUS will designate the type of audit grantees must submit.

THE FOLLOWING APPLICATION SUBMISSION FORMS ARE ACCOUNTED FOR UNDER THIS COLLECTION PACKAGE:

Form AD-1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions." (OMB No. 0505-0027)

USDA regulations published at 2 CFR Parts 180 and 417 implement the government-wide debarment and suspension system for USDA's non-procurement transactions. Applicants for RAVG grants are required to provide certification under these regulations. Form AD-1047 may also be used to obtain the required certification.

Form AD-1048, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters -Lower Tier Covered Transactions." (OMB No. 0505-0027)

Form AD-1048 will be signed by the applicant's suppliers, auditors, contractors, etc., and retained by the applicant in their files.

Form AD-1049, "Certification Regarding Drug-Free Workplace Requirements (Grants) Alternative I - for Grantees Other Than Individuals." (OMB No. 0505-0027)

USDA regulations published at 2 CFR Parts 180 and 417 implement the Drug-Free Workplace Act of 1988, which requires that grant recipients agree that they will maintain a drug-free workplace. Applicants are required to provide certification under these regulations. Form AD-1049 may also be used to obtain the required certification.

THE FOLLOWING FORMS ARE CLEARED AND APPROVED UNDER OTHER OMB NUMBERS:

Form - RD 400-1 "Equal Opportunity Agreement"- (OMB No. 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.

Form - RD 442-22 “Opinion of Counsel Regarding Right of Way” - (OMB No. 0575-0015)

Applicants and their attorneys may use this form in obtaining continuous and adequate rights-of-way and interest in land needed for the construction, operation, and maintenance of a facility.

Form - RD 400-4, “Assurance Agreement”- (OMB No. 0575-0018, and (OMB No. 0570-0062)

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.

Form - RD 1942-46 “Letter of Intent to Meet Conditions”- (OMB No. 0575-0015), (OMB No. 0570-0021), (OMB No. 0570-0062), and (OMB-0572-0137).

Applicants complete this form to indicate the intent to meet the conditions of the loan established previously by RUS. This information is necessary to determine whether the Agency should continue further processing of the loan application.

SF- 424, “Application for Federal Assistance.” (common form - burden is counted under this package/ form cleared under **OMB No. 4040-0004**). Applicants use this form as a required cover sheet for applications submitted for RAVG 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.”- (OMB No. 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.

SF-424B, “Assurances--Non-construction Programs.”- (OMB No. 4040-0007)

Applicants read and sign this form to indicate the organization’s intent to comply with the laws, regulations, and policies to which a grant is subject.

SF-424C, “Budget Information--Construction Programs.” – (OMB No. 4040-0008).

Applicants estimate 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.

SF-424D, “Assurances-Construction Programs”- (OMB No. 4040-0009). Applicants will read and sign this form to indicate the organization’s intent to comply with the laws, regulations, and policies to which a grant is subject.

SF-LLL, “Disclosure of Lobbying Activities” - OMB No. 4040-0013). Applicant will complete all items on the form that apply for both the initial filing and material change report.

RUS Form 266 “Compliance Assurance”- OMB No. 0572-0032). Applicants read and sign form to assure RUS that they are familiar with and will comply with Title VI of the Civil Rights Act of 1964, Section 504, Rehabilitation Act of 1973, and Age Discrimination Act of 1975.

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 and the Government Paperwork Elimination Act. The E-Government Act requires Government agencies in general to provide the public the option of submitting information or transacting business electronically to the maximum extent possible. RUS continues to review its short and long-range plans and the requirements to collect data from our grantees. Rural Development and Agriculture Department forms that are part of this collection are provided as fillable PDFs on the USDA eForms and USDA OCIO websites. The Standard Forms are available on www.Grants.gov

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.

RUS has reviewed all financial assistance programs it administers to determine which programs may be similar in intent and purpose. If applicants or grantees are applying to or participating in more than one RUS program simultaneously, the Agency would make every effort to accommodate the 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 by the other agency as needed.

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, 25 of the applicants and grantees of the RAVG program, or 100 percent, 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. RUS has made every effort to ensure that the burden information collection on small entities is the minimum necessary to approve grants, monitor grantee performance, and carry out the authorized programs.

6. Describe the 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 needed and cannot be collected less frequently to meet the requirements of the programs. Failure to

collect proper information could result in improper determinations of eligibility or improper use of funds.

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

- a. **Requiring respondents to report information more than quarterly.** During the duration of the construction project, a copy of the Daily Inspection Report must be provided to the Agency in one-week intervals.
- b. **Requiring written responses in less than 30 days.**
There are no information requirements for written responses in less than 30 days.
- c. **Requiring more than an original and two copies.** There are no requirements for more than an original and two copies.
- d. **Requiring respondents to retain records for more than 3 years.** There are no requirements for respondents to retain records for more than 3 years.
- e. **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.** This collection is not a survey.
- f. **Requiring use of statistical sampling which has not been reviewed and approved by OMB.** The collection does not employ statistical sampling.
- g. **Requiring 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.**
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 publications 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 a minimum of 3 persons outside the agency to obtain their views on 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.

As required by 5 CFR 1320.8(d), a Notice to request comments was published on in the *Federal Register* on August 11, 2021; Docket#: RUS-21-WATER-0008, Vol. 86, No. 152; Page number 43989. The public was given until October 12, 2021 to submit comments on this collection.

Suggestions and comments are always considered by the Agency, and RD remains committed to pursuing further reductions in both the burdens placed upon our borrowers/customers and the total volume of regulations imposed. The Agency did not receive any comments.

Justification of 2 Borrowers: (Dual Representatives interviewed from same company below) -

Borrowers and grantees may consult with RUS headquarters staff at any time regarding comments or suggestions on procedures, forms, and/or regulations and consultations take place on an individual basis by telephone, e-mail, regular mail, or fax.

A total of 9 individuals were contacted by RUS staff but only two individuals responded. The delivery of the Rural Alaska Village Grant Program is delivered by two grantees the Alaska Native Tribal Health Consortium and the State of Alaska. Both organizations were contacted but only Alaska Native Tribal Health Consortium responded. Typically, the same individuals work with the Alaska RUS Staff each year. RUS contacted the following individuals in April 2021 to obtain their views on the paperwork burden imposed by this regulation:

1. Grant Writers with Alaska Native Tribal Health Consortium, Alaska Native Tribal Health Consortium 4500 Diplomacy Drive, Anchorage, AK 99508. The individuals stated that ANTHC has worked for several years with State of Alaska Department of Environmental Conservation and USDA Rural Development staff to identify and propose water and sanitation projects for funding through USDA's RAVG program. They also stated that the application documents were easily accessible. He found the application documents from the USDA website and grants.gov. More importantly the respondents indicated that the eligibility and processing instructions were not easy to understand, interpret or satisfy. They stated: For the most part, instructions are easily understood, interpreted, and followed; however, ANTHC's applications require significant coordination/correspondence with the AK Dept. of Environmental Conservation and the USDA State Office. AK DEC and USDA State Office representatives are generally able to provide accurate, timely guidance, but sometimes there are delays and/or information is not communicated to all relevant parties, which can cause confusion Lastly, The individuals made the following remark: "The RD Apply system can be challenging to navigate, and there are a number of documents that are required for a complete RAVG application to be submitted by our organization which are not pre-populated and/or identified are required in the system (SF-LLL, RD 266 Assurances, SF-424D, etc.). Additionally, it would be helpful to include a new tab that could assist with delivering and tracking post-submission documents that need to be signed and returned to USDA (NPA Certification, RD 1940-1, RD 1942-46, etc.). Working on multiple applications and completing these post-submission actions can be challenging to keep track of via email in a timely fashion so that funds can be obligated prior to fiscal year-end deadlines."

2. Grant Manager with Alaska Native Tribal Health Consortium (ANTHC). 4500 Diplomacy Drive, Anchorage, AK 99508. The Manager became aware of the program through past interactions with the agency and colleagues at ANTHC. The respondent also communicated that the application documents were not easily accessible. She stated that the login is very complex for individuals who don't work for the government and aren't used to that level of security. She also

felt that the level of information collected was not reasonable. She believes that RD Apply should have a streamlined process for RAVG. Many of the questions are irrelevant. RD Apply is too “one size fits all” and is not easy to use. Her last comment was RD Apply and the streamlined PER format could use some refreshing, now that they’ve been in use for a few years and there are lessons learned that could make them better, more user friendly.

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

Payments or gifts are not provided 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 is provided to respondents.

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 any questions of a sensitive nature.

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

Based on the program level authority of \$22,684,999 for this program, RUS anticipates receiving 36 applications and making approximately 19 grants. Of these, RUS expects to make approximately 7 grants to state and local governments, and 12 grants to non-profit corporations. Total estimated cost to respondents for the information collection is estimated at \$928499. The burden for this collection is summarized as follows:

Regulation	Number of Respondents	Total Annual Responses	Total Annual Hours
7 CFR 1784	36	324	523

RUS estimates the cost to be \$29,510 for the respondents to comply with this regulation. The cost is based on 36 respondents annually.

Estimate Cost to Respondents for this Collection of Information						
Number of Respondents	Number of Hours Per Response	Hourly Rate	+	% benefits	=	Total Cost
36	345	\$48.45 hr.		29.4% (\$176914)	=	\$778,663
36	178	\$18.07		29.4% (\$34043)	=	\$149,836
Total:						928,499

Professional Time: 36 x 345 hrs. x \$48.45 hr. x 29.4% benefits (\$778663) = \$778,663
 Clerical Time: 36 x 178 hrs. x \$18.07 hr. x 29.4% benefits (\$34043) = \$149,836
Total = \$928,499

The Department of Labor, Bureau of Statistics, State Occupational Employment and Wage estimates (May 2019) were used as the basis for the cost estimates. The hourly earnings for Professional Time (NAICS General and Operations Manager 11-1021) in a non-metropolitan area in Alaska are \$48.45 and Clerical Time (NAICS Office and Administrative Support 43-0000) is \$18.07.

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers 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.

The estimated annualized cost to the federal government is \$1,252,563. Wage rates used to calculate federal cost were found at the Office of Personnel Management, 2021 General Schedule Tables at [SALARY TABLE 2021-AK \(opm.gov\)](https://www.opm.gov/policy-data-oversight/salary-tables/). The cost to the Federal Government is estimated as follows:

Estimates of Annualized Cost to the Federal Government

Activity	Number of Hours	X	Number of Applications /Grantees	X	Hourly Rate	+	% benefits	=	Cost to the Federal Government
Preliminary Contacts	20 hrs.	x	36	x	\$47.06	+	36.25% (\$12,282)	=	\$46,165
Application Review Phase	160 hrs.	x	36	x	\$47.06	+	36.25% (\$98,261)	=	\$369,326
Application Processing Phase	90 hrs.	x	19	x	\$47.06	+	36.25% (\$29,171)	=	\$109,643
Technical Documents Review Phase	70 hrs.	x	19	x	\$47.06	+	36.25% (\$22,688)	=	\$85,277
Grant Closing Phase	150 hrs.	x	19	x	\$47.06	+	36.25% (\$48,618)	=	\$182,739
Startup & Service Activity Phase	375 hrs.	x	19	x	\$47.06	+	36.25% (\$121,547)	=	\$456,849
Audits	10hrs.	x	4	x	\$47.06	+	36.25% (\$682)	=	\$2,564
Total Cost=									\$1,252,563

(The salary of \$47.06 per hour is based on a Community Programs Specialist (GS 12, step 5) in Alaska listed in OPM salary table 2021-AK, effective January 2021.)

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

Currently, there are no changes in the regulations or program operations, however, there was an increase in the estimated number of burden hours from the previous submission of 469 to 523 resulting from an increase in the number of applications received and the number of applications obligated. The three-year average of applications received resulted in an increased number of respondents from 25 to 36, while the number of applications obligated increased from 15 to 19. It is important to note that all applications received are not obligated in the same fiscal year received. There was also an unexpected increase in the estimated cost to deliver the RVAG program from 552,639 to **928,499**, from both the public and private sectors. The increased cost was due to more applications received during that timeframe along with a rise in wages for both the public and private sector.

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

The results of this collection of information will not be published.

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.

RD will display the OMB expiration date on the forms.

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

There are no exceptions to the certification. The Agency is able to certify compliance with all provisions under item 19.

B. Collection of Information Employing Statistical Methods.

This collection does not employ statistical methods.