

DRAFT SUPPORTING STATEMENT
FOR
GRANT AND COOPERATIVE AGREEMENT PROVISIONS
(3150-0107)

EXTENSION

Description of Information Collection

The Nuclear Regulatory Commission (NRC) provides financial assistance through issuance of grants and cooperative agreements. This funding supports research, as well as symposia and conferences, training and associated curricula, disciplines pertaining to nuclear safety, security, or environmental protection and other areas that the Commission determines to be critical to the NRC's mission. NRC also provides funding to support a broad range of innovative programs and activities to strengthen the academic excellence and infrastructure capacity of minority serving institutions by educating and training their students and faculty. NRC provides financial assistance to accredited U.S. institutions of higher education to support education in nuclear science, engineering, health physics, and nuclear-related trades for students and faculty members. This supports the development of a workforce capable of the design, construction, operation, and regulation of nuclear facilities and the safe handling of nuclear materials.

The Division of Contracts (DC) is responsible for awarding grants and cooperative agreements for the Agency. DC collects information from recipients of grants and cooperative agreements (referred hereafter as "recipients") in order to administer these programs.

A. JUSTIFICATION

1. Need for and Practical Utility of the Collection of Information

NRC collects this information to ensure that the Government's rights are protected, the agency adheres to public laws, the work proceeds on schedule, and that disputes, if any, are settled between the Government and the recipients.

2. Agency Use of Information

NRC collects this information from recipients in accordance with the Terms and Conditions/General Provisions (as described below) for grants and cooperative agreements awarded to institutions of higher education and other nonprofit institutions as part of the grant/cooperative agreement provisions in NRC's awards. The information collected is used by the NRC administer grant and cooperative agreement programs.

Dispute Review Procedure

A recipient who wants a committee review of a notice of an adverse action taken by the Commission must submit a request for review to an NRC Grants Officer (NRC GO) no later than 30 days after the postmarked date of such notice. The NRC committee reviews the facts in the request and, where appropriate, provides a forum for the recipients and program personnel to discuss the issues. The NRC committee

uses the information submitted and prepares a recommendation to the Director, Office of Administration, who decides the particular matter. There is no other method to secure this information from a recipient.

Reporting Program Technical Performance

This provision is to apprise the NRC of the recipient's progress under the grant or cooperative agreement. Recipients are required to submit technical performance reports to document their performance and to indicate any problems, if applicable. The recipients must submit progress reports describing in detail the activities that have occurred during the reporting period that correspond with the goals and objectives identified in the narrative, as well as, providing specific, project-related information. Further, this provision allows the Commission to review the final draft of a journal article before publication, if applicable. Recipients are required to submit semiannual reports to the NRC beginning six months after the project start date and by no later than 30 days after each 6-month period. A final report is due no later than 30 days after the project expiration date. The recipients submit the reports electronically on www.grants.gov.

Patent Rights (Small Business Firms or Non-Profit Organizations, July, 1981)

This provision is required to protect against public disclosure of information related to inventions or discoveries that would adversely affect the patent interests of the NRC or the recipients. Recipients must submit information on any invention or discovery, which may be patentable for the Government to determine whether the public interest and the equities of the recipients are served in deciding whether to file a patent application. The Government must also obtain information concerning title and rights that may result under a patent application, when determining the disposition of an invention or discovery.

Recipients are required to send one copy of the information to the NRC GO who reviews the material to make the above determinations in consultation with the NRC attorney. There is no other method to secure this information from recipients.

Reporting of Royalties

The requirements of this provision make clear that the Government may contest the enforceability, validity, and/or title of any patent under which a royalty or payment is made. The provision is also necessary in that it allows the Commission, thorough review of the information supplied by the recipients, to ascertain the patents or basis on which royalties are to be paid. The recipients agree to report in writing (one copy) to the NRC Patent Counsel (NRC PC) stipulating the amount of royalties or other payments made in connection with performance under the grant or cooperative agreement. No other method exists to secure the information required under this provision.

Changes in Principal Investigator or Technical Objectives

This provision requires recipients to obtain approval from the NRC GO to make changes to: (1) the stated objective of the grant/cooperative agreement, (2) the level of effort of the Principal Investigator, or (3) the phenomenon under study. The recipients must submit one copy of the request to the NRC GO, who in consultation with the NRC Project Officer (NRC PO), reviews the request before approving or disapproving the proposed change. There is no other method of obtaining the requested information other than following the instructions in this provision.

Notice and Assistance Regarding Patent and Copyright Infringement

This provision requires the recipients to provide the Commission with all evidence and information known should any claim or suit arise against the Government of any alleged patent or copyright infringement under grant/cooperative agreement performance. This requirement is important since it protects the rights and interests of the Government. The recipients shall provide this evidence and information in one copy to the NRC GO, who in consultation with NRC PC, reviews the material to decide the best course of action to protect the Government's interests. No other method exists to obtain the required information.

Procurement Standards

This provision sets rules for the recipients to follow if a contract(s) is awarded under the grant or cooperative agreement. The Government seeks to ensure that these contracts are awarded competitively, where possible and that negotiated prices are reasonable. This provision stipulates circumstances when the recipients must submit requests (one copy) to the NRC GO for approval. The NRC GO reviews each request and decides which course of action is in the Government's best interest. No other method exists to obtain these requests.

Suspension or Termination for Cause

This provision protects the Government's interests by stating that it has the unilateral right to terminate or suspend the grant/cooperative agreement when the recipients fail to comply with the terms and conditions of the grant/cooperative agreement. If the grant/cooperative agreement is terminated, the recipients are required to conduct an accounting of funds expended to ascertain the amount of funds to deobligate or return from the grant/cooperative agreement to the Government. The NRC GO advises the recipients by letter of the nature of the problem. The recipients must respond to the NRC GO (one copy) within 30 days of the Government letter identifying plans to correct the deficiencies in performance. The recipients shall also send one copy to the Principal Investigator (PI) and one copy to the NRC PO. The NRC GO, in consultation with the NRC PO, must decide the course of action to follow (suspend, terminate or continue grant/cooperative agreement performance). No other method exists outside the aegis of this provision to collect the needed information.

Termination for Convenience

This provision requires the recipients to document a request to terminate the grant/cooperative agreement and to submit the request and one copy to the NRC GO and one copy to the NRC PO and PI. The Commission then has a written record to respond to and challenge if it is in its best interest. The NRC GO, in consultation with the NRC PO and PI, will come to an understanding with the recipients as to whether to terminate the grant/cooperative agreement or not. No other method exists to secure this needed information.

Travel

This provision requires explicit approval by the NRC GO prior to foreign travel, regardless of its inclusion in the approved award budget. No other method exists to secure this needed information.

The reporting/recordkeeping requirements imposed by the above grant provisions annually affect from approximately 1 to 350 recipients, depending upon the particular provision. Table 1 shows the number of respondents for each provision. The information collection requirements do not involve surveys. Recipients are required

to send reports and information to the NRC in accordance with award requirements. All information is collected under the above-cited provisions. As indicated previously, the information is submitted to the NRC GO, with copies to the NRC PO and legal counsel, in some instances. In all cases, it is the responsibility of the NRC GO to review the information and decide on the best course of action to follow.

3. Reduction of Burden through Information Technology

There are no legal obstacles to reducing the burden associated with this information collection. NRC issued a regulation on October 10, 2003 (68 FR 58791), consistent with the Government Paperwork Elimination Act, which allows its licensees, vendors, applicants, and members of the public the option to make submissions electronically via CD-ROM, e-mail, special Web-based interface, or other means. The NRC requires respondents to submit all (100%) of their applications and financial and technical performance reports in electronic format on www.grants.gov. Information submitted under other provisions is not required to be in electronic format. However, it is estimated that approximately 100% of these responses are submitted electronically.

4. Effort to Identify Duplication and to Use Similar Information

No sources of similar information are available. There is no duplication of requirements. NRC has in place an ongoing program to examine all information collections with the goal of eliminating all duplication and/or unnecessary information collections. These provisions are not used in any other legal instrument for agency use other than for grants and cooperative agreements.

5. Effort to Reduce Small Business Burden

The agency grant/cooperative agreement program does not affect small businesses.

6. Consequences to Federal Program or Policy Activities if the Collection is Not Conducted or is Conducted Less Frequently

If the requested information is not collected or is collected less frequently, the agency could not adequately track recipients' progress or ascertain if the work being performed is within the general scope of the grant or cooperative agreement. Less frequent reporting of technical progress removes an effective mechanism needed to monitor grant/cooperative agreement performance and initiate appropriate remedial action to protect the interests of the Government.

Most other provisions (Dispute Review Procedure, Patent Rights, Reporting of Royalties, Changes in Principal Investigator or Technical Objectives, Notice and Assistance Regarding Patent and Copyright Infringement, Suspension or Termination for Cause, and Termination for Convenience) require information only in specific, limited circumstances defined in the provision. The information is necessary to protect the rights of the parties under the grant or cooperative agreement in those situations.

7. Circumstances Which Justify Variation From OMB Guidelines

This information collection does not vary from OMB Guidelines.

8. Consultation Outside the NRC

Opportunity for public comment on the information collection requirements for this clearance package has been published in the Federal Register.

9. Payment or Gifts to Respondents

None.

10. Confidentiality of the Information

Confidential and proprietary information is protected in accordance with NRC regulations under 10 CFR 9.17(a) and 10 CFR 2.390(b).

11. Justification for Sensitive Questions

Information related to litigation, claims, patent, or copyright infringement, inventions, grant/cooperative agreement disputes, or termination would be sensitive from a legal perspective. Certain cost information, (e.g., salaries and indirect cost rates) would be sensitive from a corporate perspective. All sensitive information is properly filed and safeguarded against improper disclosure. This is the NRC Grant Officer's responsibility. No sensitive personal information is required or requested.

12. Estimated Burden and Burden Hour Cost

Table 1 represents the reporting burden and Table 2 represents the recordkeeping burden estimates for each provision. Such burden estimates were derived from experience as to the approximate number of recipients affected by each particular provision and the approximate number of hours that recipients would have to expend to comply with the requirements of the provisions. Reporting burden is estimated to be 7,540 hours, for a cost of \$1,952,860 (7,540 x \$259/hr). Recordkeeping burden is estimated to be 537 hours, for a cost of \$139,083 (537 x \$259/hr). The total burden for this collection is estimated to be 8,077 hours (7,540 reporting hours plus 537 recordkeeping hours) at a cost of \$2,091,943 (8,077 hours X \$259/hr). See attached Tables 1 and 2.

13. Estimate of Other Additional Costs

The NRC has determined that the quantity of records to be maintained is roughly proportional to the recordkeeping burden and, therefore, can be used to calculate approximate records storage costs. Based on the number of pages maintained for a typical clearance, the records storage cost has been determined to be equal to 0.0004 times the recordkeeping burden cost. Because the recordkeeping burden is estimated to be 537 hours, the storage cost for this clearance is \$56 (537 hours x 0.0004 x \$259/hour).

14. Estimated Annualized Cost to Federal Government

The cost to the NRC attributable to the provisions discussed in this supporting statement is \$389,018 (1,502 hours x \$259/hr). Table 3 presents such cost by provision. The cost to the Government for each provision was derived from experience as to the approximate number of hours the grant specialist expends in ensuring that recipients comply with a particular provision. The hours were then

multiplied by \$259/hour (standard fee recoverable rate for materials licensees) to arrive at the approximate cost to the Government.

15. Reason for Change in Burden or Cost

The overall burden (reporting and recordkeeping) has increased by 4,696 hours, from 3,381 hours to 8,077 hours. This change is due to the following:

1. The total number of grant/cooperative agreement respondents increased from 140 respondents to 350 respondents due to an increase in the number of active financial assistance awards. As a result, the number of respondents (recipients) required to submit Program Technical Performance reports have increased from 140 to 350.
2. Reporting Program Technical Performance is required biannually, resulting in an increase in the total number of responses from 280 (140 respondents reporting 2 times per year) to 700 (350 respondents reporting 2 times per year).
3. The number of burden hours for reporting Changes in Principal Investigator or Technical Objectives increased from 10 hours to 100 hours, and burden hours for foreign travel approval increased from 5 to 20 burden hours.

As a result of the above changes, the total number of burden hours for **reporting** increased by a total of 4,387 hours. The specific changes (increases and decreases in burden hours) are as follows:

- The burden for *Reporting Program Technical Performance* increased from 2,968 hours (140 respondents x 2 annual responses x 10.6 burden hours) to 7,420 hours (350 respondents x 2 annual responses x 10.6 burden hours), an increase of 4,452 hours.
- Reporting *Changes in Principal Investigator or Technical Objectives* increased from 10 hours (1 respondent x 1 response x 10 burden hours) to 100 hours (10 respondents x 1 response x 10 burden hours), an increase of 90 burden hours.
- The reporting burden for foreign travel increased from 5 hours (1 respondent x 1 response x 5 burden hours) to 20 hours, (4 respondents x 1 response x 5 burden hours), an increase in 15 burden hours.
- Procurement Standards burden hours decreased from 90 hours (30 respondents x 1 response x 3 burden hours) to 0 hours, a decrease of 90 burden hours as no recipients were affected by this provision.
- The burden hours for all other categories as shown on Table 1 (Dispute Review Procedure, Patent Rights, Reporting of Royalties, Notice and Assistance Regarding Patent and Copyright Infringement and Suspension or Termination for Cause and Termination for Convenience) decreased by a total of 80 hours as no recipients were affected by these provisions.

In addition, the total number of **recordkeeping** hours increased from 228 hours to 537 hours, an increase of 309 hours.

There also has been an increase in cost due to the increase in the NRC's standard fee recoverable rate for materials licensees from \$238 per hour to \$259 per hour.

Finally, the burdens associated with the requirements that are submitted on the Standard Forms (below) are not included in this collection. The burden for these requirements is covered under other OMB clearances.

Standard Form #	Title	OMB clearance #	Burden per form
SF 424	Application for Federal Financial Assistance	4040-0004	60 minutes
SF 424A	Budget Information	4040-0006	180 minutes
SF 424B	Assurances	4040-0007	15 minutes
SF LLL	Disclosure of Lobbying Activities	0348-0046	10 minutes
TOTAL			265 minutes (4.4 hours)

16. Publication for Statistical use

Not applicable.

17. Reason for Not Displaying the Expiration Date

Not applicable.

18. Exceptions to the Certification Statement

Not applicable.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

Statistical methods are not used in this collection of information.

TABLE 1
ESTIMATED ANNUAL REPORTING BURDEN TABLE
GRANT/COOPERATIVE AGREEMENT PROVISIONS

Provision	No. of Respondents¹	Responses per Respondent	Total Number of Responses	Burden Hours per Response	Total Annual Burden Hours	Total Annual Cost @\$259/HR
Dispute Review Procedure	0	0	0	15	0	0
Reporting Program Tech. Performance	350	2	700	10.6	7,420	\$1,921,780
Patent Rights	0	0	0	10	0	0
Reporting of Royalties	0	0	0	5	0	0
Changes in Principal Investigator or Technical Objectives	10	1	10	10	100	\$25,900
Notice and Assistance Regarding Patent and Copyright Infringement	0	0	0	10	0	0
Procurement Standards	0	0	0	3	0	0
Suspension or Termination for Cause	0	0	0	20	0	0
Termination for Convenience	0	0	0	20	0	0
Travel	4	1	4	5	20	\$5,180
TOTAL	350		714		7,540	\$1,952,860

¹ This term represents those nonprofit organizations, universities, other institutions of higher education, professional societies and state and local governments to which the Agency has awarded grants and cooperative agreements.

TABLE 2
ESTIMATED ANNUAL RECORDKEEPING BURDEN TABLE
GRANT/COOPERATIVE AGREEMENT PROVISIONS

Section	No. of Recordkeepers	Burden Hours per Recordkeeper	Total Annual Burden Hours	Total Annual Cost @\$259/HR
Dispute Review Procedure	0	0	0	0
Reporting Program Tech. Performance	350	1.5	525	\$135,975
Patent Rights	0	1	0	0
Reporting of Royalties **				
Changes in Principal Investigator or Technical Objectives	10	1	10	\$2,590
Notice and Assistance Regarding Patent and Copyright Infringement	0	1	0	0
Procurement Standards	0	0.3	0	0
Suspension or Termination for Cause	0	2	0	0
Termination for Convenience	0	2	0	0
Travel	4	0.5	2	\$518
TOTAL	350		537	\$139,083

** Grantees maintain royalty and financial records as a part of the normal course of doing business.

TOTAL BURDEN: 8,077 (7,540 reporting hours plus 537 recordkeeping hours)
TOTAL RESPONDENTS: 350
RESPONSES: 1064 (714 responses plus 350 recordkeepers)

TABLE 3
GRANT/COOPERATIVE AGREEMENT PROVISIONS GOVERNMENT COST

Section	No. of Respondents	Responses per Respondent	Number of Responses	Burden Hours per Response	Total Annual Burden Hours	Total Annual Cost @\$259/HR
Dispute Review Procedure	0	0	0	25	0	0
Reporting Program Tech. Performance	350	2	700	2	1400	\$362,600
Patent Rights	0	0	0	10	0	0
Reporting of Royalties	0	0	0	3	0	0
Changes in Principal Investigator or Technical Objectives	10	1	10	10	100	\$25,900
Notice and Assistance Regarding Patent and Copyright Infringement	0	0	0	10	0	0
Procurement Standards	0	0	0	0.9	0	0
Suspension or Termination for Cause	0	0	0	20	0	0
Termination for Convenience	0	0	0	20	0	0
Travel	4	1	4	0.5	2	\$518
TOTAL	350		714		1502	\$389,018