Supplement F to NARA 108
Information Collections
How to Calculate Cost and Hour Burdens

1.   What is "burden"?
"Burden" is the time, effort, and financial resources necessary to comply with a collection of information. Burden is divided into two elements: <u>hours of human effort</u> and <u>financial cost and all other aspects of burden</u> and applies to both our agency's and the respondents' use of resources related to the information collection.

2.   What is "hours of human effort"?
"Hours of human effort" is, for the respondent, the time it takes to gather and compile the requested data and the time needed to complete the information collection form. For our agency, it is the hours needed to develop, implement, administer, and monitor the information collection.

3.   What are "annualized hourly costs"?
For the respondent and our agency, these are salary costs associated with the hours of human effort defined in par. 2. The cost of contracting out or paying outside parties for information collection, however, should not be included here, but as part of the "financial cost and all other aspects of burden" described in par. 4.

4.   What does "financial cost and all other aspects of burden" include?
For the respondent, "financial cost and all other aspects of burden" include costs of equipment and services that are needed to support the information collection, such as contracting out of the information collection process, computers and software used solely for the information collection, and records storage facilities. Note, however, that these costs should not include equipment or services made as part of the entities' customary and usual business or private practices. Consequently, NARA information collections normally do not require this type of burden.

5.   Why does OMB require me to calculate cost and hour burdens?
The Paperwork Reduction Act requires us to collect information in a manner that minimizes, for the public and non-Federal entities, the amount of time and the cost to respond to the information request.

6.   How do I calculate and report respondents' anticipated hour burdens?
Base your estimate on an actual test of the information collection. Ask the following questions: <u>Will the respondent have to gather and compile the requested data? If yes, how long will that take</u>?   Talk to a few potential respondents (less than 10) and ask them and the time needed to complete the information collection form. Use their responses to develop an average estimate of the time that would be required by all the expected or needed respondents to your information collection throughout the course of the approved information collection period. Report the number of hours, along with the annualized cost for the hour burdens, using the format illustrated in Exhibit A below.

February 28, 2003

Exhibit A: Sample Respondent Burden and Costs Chart

A.12	Estimate of Annual Respondent Hour Burden and Costs					
Task	**[A]** **Total No. of resp'dents**	**[B]** **No. of responses**	**[C]** **Minutes per response**	**[D]** **Total Hours (BxC/60)**	**[E]** **Hourly labor cost**	**[F]** **Total Cost**
Fill out Professional Researcher Application form	100[1]	100[2]	9	15	$20[3]	$300

[1]Respondents include historians, social scientists, and other researchers interested in advertising their availability to do research for individuals who are not able to visit our facilities themselves.
[2]Assumes each respondent will fill out one form and assumes 100 percent response rate.
[3]Hourly labor cost equals the average hourly salary rate in the private sector for this type of occupation as reported in the Bureau of Labor Statistic's Occupational Outlook Handbook for 2002-2003.

7.   How do I calculate and report respondents' other costs?
NARA information collections do not normally require this type of burden. In most cases, your response should be: "NARA anticipates no additional cost burden to respondents or recordkeepers beyond that which results from their customary of usual business or private practices." If other cost burdens are anticipated, however, follow the instructions in Supplement E to NARA 108 and report your estimates using the format illustrated in Exhibit B below.

Exhibit B: Sample Respondent Burden and Costs Chart

A.13 - 1 Estimate of Other Total Annual Cost Burden To Respondents or Recordkeepers	
Annualized Capital/Start-up Cost	**Amount**
Purchase of two REACT computer systems	$ 5,333
Purchase of SPSS software	100
Installation of REACT computers and SPSS software	170
Rental of SAFE-SYSTEM storage facilities	2,400
Contractor information data collection fees	10,000
Operational/Maintenance and Purchase Components	
Trouble-shooting and monitoring fees	2,400
Estimate of Other Total Annual Cost Burden	**$20,403**

8.   How do I calculate and report our agency's hour burden and other costs?
Include here the staff hours needed to develop, implement, administer, and monitor the
information collection. Do not include hours accumulated by contractors paid for
development, implementation, tabulation, analysis, and publication of results, but include
the cost of the latter in that portion of your report that covers other costs. In addition to
contractor expenses, other costs should include staff travel expenses, printing and mailing
costs, if applicable, costs of mailing lists development and maintenance, overhead, etc.,
that would not have been incurred without this information collection. Remember that
this number must represent your underlined annualized costs, i.e., the annual average of the costs
you will accrue during the course of the approved collection period. Where a variety of
other expenses apply, use a chart like the one illustrated in Exhibit C. Less complicated
burden and cost reports can be contained in your narrative response to par. A14 of the
OMB Supporting Statement.

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Exhibit C: Sample Agency Burden and Costs Chart

A.14 Estimate of Agency Burden and Costs Chart	
Annualized Capital/Start-up Cost	**Amount**
Purchase of SPSS software	$ 100
Installation of SPSS software	80
Staff review of proposed methodology (60 hours @$28.96 per hour for salaries and benefits)	1,738
Operational/Maintenance and Purchase Components	
Contractor information data collection fees	30,000
Trouble-shooting and monitoring fees	2,400
Staff review of compiled data, analysis, and reports (40 hours @$28.96 per hour for salaries and benefits)	1,158
Estimate of Total Annualized Cost Burden	**$35,876**