

## SUPPORTING STATEMENT

Information Collections under the Final Regulations Governing the Student Assistance General Provisions – Satisfactory Academic Progress Policy

### A. Justification

**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.**

This request is for approval of updates and changes to the policies and procedures for determining satisfactory academic progress (SAP) as required in Section 484 of the Higher Education Act of 1965, as amended (HEA). The final regulations restructure the SAP requirements by retaining the requirement for a SAP policy in §668.16 “Standards of administrative capability”, moving the SAP policy specifications currently in §668.16(e) and placing all of the policy elements into 668.34 and providing appropriate cross references in §§668.16(e) and 668.32(f).

These regulations identify the policies and procedures to ensure that students are making satisfactory academic progress in their program at a pace and a level to receive or continue to receive Title IV, HEA program funds. If there is lapse in progress, the policy must identify how the student will be notified and what steps are available to a student not making satisfactory academic progress toward the completion of their program, and under what conditions a student who is not making satisfactory academic progress may continue to receive Title IV, HEA program funds.

**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.**

Administrative transfer from General Provisions (OMB control number 1845-0022)

#### **Team I – Program Integrity Issues – RIN-1840-AD02**

##### Section 668.16(e) – Standards of administrative capability.

Under current regulations in 34 CFR 668.16(e), specific requirements regarding the elements of satisfactory academic progress were enumerated including but not limited to, qualitative and quantitative components and required policies and procedures. Under the final regulations, these detailed requirements have been moved to 34 CFR 668.34.

##### Section 668.34(a) – Satisfactory academic progress policy.

This section of the regulations incorporates the requirements of the SAP policy from §668.16(e), as well as additional requirements specifying –

- the pace that a student must progress to ensure completion of their academic program within the maximum timeframe
- describe how transferred credits affect the pace and maximum timeframe for program completion
- institutes how “financial aid warning” and “financial aid probation” statuses are used in progress calculations
- a description of the appeal process and how it can be used to reestablish Title IV aid eligibility
- if a school doesn’t have an appeal process how a student may regain eligibility for assistance
- a notification of the results of a student’s evaluation that impact their eligibility for Title IV, HEA funds.

Section 668.34(c) – Institutions that evaluate satisfactory academic progress at the end of each payment period.

This section of the regulations identifies the process that is followed for institutions that evaluate a student’s SAP at the end of a payment period. This new section would specify that an institution’s policy may provide for disbursement of Title IV aid to a student not meeting SAP under certain circumstances. This would include policies that automatically place a student who is not meeting SAP on “financial aid warning” a newly defined term.

Section 668.34(d) – Institutions that evaluate satisfactory academic progress annually or less frequently than at the end of each payment period.

This section of the regulations identifies the process that is followed for institutions that evaluate a student’s SAP on an annual basis. This new section would specify that an institution’s policy may provide for disbursement of Title IV aid to a student not meeting SAP under certain circumstances. This would include policies that require a student to file an appeal and either having a determination made by the school that the student should meet SAP standards after the subsequent payment period or if the school develops, with the student, an academic plan which if successfully completed will ensure the student meets the institution’s SAP standards at a specific time.

**Team II – Foreign Schools Issues RIN-1840-AD03**

Section 600.55(g)(1) & (2) – Other Criteria.

This final regulation requires foreign graduate medical schools to apply existing regulations in SAP for establishing maximum timeframes in which a student must complete their educational program and requires that a student complete their educational program in 150 percent of the

published length of the program. The regulations require foreign graduate medical schools to document the educational remediation it provides to assist students in making SAP.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision of adopting this means of collection. Also describe any consideration given to using technology to reduce burden.**

#### **Consideration of Improved Information Technology**

The institution may provide their policy and procedure information to students via an Internet or Intranet Web site as an efficient method to provide the SAP requirements.

**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.**

#### **Efforts to Identify Duplication**

There is no duplication of data as a result of the collection of this information.

**5. If the collection of information impacts small businesses or other small entities (Item 8b of IC Data Part 2), describe any methods used to minimize burden.**

#### **Burden Minimization as Applied to Small Business**

No small businesses are impacted by this collection.

**6. Describe the consequences 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.**

#### **Consequences of Less Frequent Data Collection**

The statute requires that the student's academic progress be evaluated at the end of each academic year or the equivalent. Evaluation at any longer interval could risk funds being disbursed to ineligible students.

**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;**

- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **requiring respondents to submit more than an original and two copies of any document;**
- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
- **in connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of study;**
- **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **that includes 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 that unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- **requiring respondents to submit proprietary trade secrets, 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.**

### **Special Circumstances Governing Data Collection**

The information collection requirements require no special circumstances.

- 8. 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 CFR 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.**

**Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instruction and record keeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.**

**Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years – even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.**

### **Consultation Outside the Agency**

The Department of Education (Department) announced in a September 9, 2009 Federal Register notice (74 FR 46399) its intention to establish negotiated rulemaking committees to prepare a proposed regulation under Title IV of the HEA. These committees were formed as a result of a Federal Register notice published on May 26, 2009 (74 FR 24728) which announced a series of three regional hearings at which interested parties could comment on topics suggested by the Department and suggest additional topics for consideration. The topic “Satisfactory Academic Progress” was among the list of program integrity issues listed by the Department for Team I for Program Integrity Issues. While this was not a specific topic for Team II Foreign Schools Issues, the issue of SAP was addressed in one section of regulation regarding foreign graduate medical schools.

In addition to the two separate Notices of Proposed Rulemaking that impacted this information collection – 1840-AD02 and 1840-AD03 – a 60-day and a 30-day Federal Register notice were published seeking public comment. We received no comments specific to the PRA requirements.

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

#### **Payments or Gifts to Respondents**

No payments or gifts will be provided to the respondents.

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

#### **Assurance of Confidentiality**

There is no assurance of confidentiality provided to institutions for the submission of this information.

### **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. The 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.

### Questions of a Sensitive Nature

The Department is not requesting any sensitive data.

**12. Provide estimates of the hour burden of the collection of information. The statement should :**

- **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
- **If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in item 16 of IC Data Part 1.**
- **Provide estimates of annualized cost to respondents of the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

### Annual Hour Burden for Respondents/Recordkeepers

The additional burden hours calculated below include time for reviewing the changes in regulations; for determining the method and means to incorporate changes; and for developing or updating systems, forms and formats for gathering the required information. The burden is all related to recordkeeping.

Team 1 – Program Integrity Issues

Section 668.16(e) – Standards of administrative capability.

Administrative transfer from OMB 1845-0022

<u># of Respondents</u>	<u># of Responses</u>		<u># of Burden Hours</u>
3,500	3,500	X 6 hrs	21,000

Section 668.34(a) – Satisfactory academic progress policy

<u># of Respondents</u>	<u># of Responses</u>	<u>Hrs/Response</u>	<u># of Burden Hours</u>
For-profit institutions			
2,086	2,086	X 3 hrs	6,258
Private institutions			
1,731	1,731	X 3 hrs	5,193
Public institutions			
1,892	1,892	X 3 hrs	5,676
<b>TOTAL – Section 668.34(a)</b>			
<b>5,709</b>	<b>5,709</b>		<b>17,127</b>

Section 668.34(c) – Institutions that evaluate satisfactory academic progress at the end of each payment period.

<u># of Respondents</u>	<u># of Responses</u>	<u>Hrs/Response</u>	<u># of Burden Hours</u>
Individuals not meeting SAP requirements			
366,282	732,564	X .17	124,536
For-profit institutions – Evaluation of all students for SAP			
2,086	3,872,124	X .02	77,442
For-profit institutions – Working with students not meeting SAP			
*	271,048	X .25	67,762
Private institutions – Evaluation of all students for SAP			
1,731	3,139,560	X .02	62,791
Private institutions – Working with students not meeting SAP			
*	219,770	X .25	54,943
Public institutions – Evaluation of all students for SAP			
1,892	3,453,516	X .02	69,070
Public institutions – Working with students not making SAP			
*	241,746	X .25	60,437



Team II – Foreign School Issue

Section 600.55 – Other criteria.

<u># of Respondents</u>	<u># of Responses</u>	<u>Hrs/Response</u>	<u># of Burden Hours</u>
For-profit institutions			
3	3	X 2.5	8
Private institutions			
10	10	X 2.5	25
Public institutions			
58	58	X 2.5	145
<b>TEAM II TOTAL</b>			
<b>71</b>	<b>71</b>		<b>178</b>
<b>GRAND TOTAL for TEAM I and TEAM II</b>			
<b>984,598</b>	<b>21,672,244</b>		<b>977,034</b>

For additional information, please see the supplementary documentation “Burden Analysis – 1845-NEW2 – 1840-AD02 and 1840-AD03.”

**13. Provide an estimate 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.)**

- **The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life); and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and acquiring and maintaining record storage facilities.**
- **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of contracting out information collection services should be a part of this cost burden estimate. In**

developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.

- Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.

Total Annualized Capital/Startup Cost	:	0
Total Annual Costs (O&M)	:	0
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Total Annualized Costs Requested :		0

#### **Start-Up Cost Burden to the Respondents**

There is no new system start-up costs associated with these final regulations.

**14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.**

#### **Estimated Annual Cost to the Federal Government**

There are no additional costs to the Federal government as a result of the final regulation.

**15. Explain the reasons for any program changes or adjustments to #16f of the IC Data Part 1 Form.**

#### **Reasons for Changes to Burden Hour Estimated**

The increase of 977,034 burden hours is entirely due to programmatic change, including an administrative transfer of 21,000 hours from 668.16(e)(OMB# 1845-0022) to 668.34 to streamline most satisfactory academic progress (SAP) elements into one ICR. Due to the consolidation of the satisfactory academic progress regulations, an administrative transfer of 3,500 respondents, 3,500 responses and 21,000 burden hours from OMB control number 1845-0022 to 1845-NEW2 is being performed.

The final regulations identify policies and procedures to ensure that students are making satisfactory academic progress in their program at a pace and a level to receive or continue to receive Title IV, HEA program funds. The final regulations require that if a lapse in progress occurs, the policy must identify how a student will be notified and what steps are available to a student, not making SAP, to continue studies and under what conditions the student may continue to receive Title IV, HEA program funds. The burden changes are a result of changes to regulations to help to clarify and provide a more structured approach for the development and implementation of institutional satisfactory academic progress policies. A summary is provided below.

**Team I – Program Integrity Issues**

<b># of Respondents</b>	<b># of Responses</b>	<b># of Burden Hours</b>
<u>Section 668.16(e) – Standards of administrative capability. (Administrative transfer from OMB 1845-0022)</u>		
3,500	3,500	21,000
<u>Section 668.34(a) – Satisfactory academic progress policy</u>		
5,709	5,709	17,127
<u>Section 668.34(c) – Institutions that evaluate satisfactory academic progress at the end of each payment period.</u>		
371,991	11,930,328	516,981
<u>Section 668.34(d) – Institutions that evaluate satisfactory academic progress annually or less frequently than at the end of each payment period.</u>		
603,327	9,732,636	421,748
<b>TOTAL</b>		
<b>984,527</b>	<b>21,672,173</b>	<b>976,856</b>

**Team II – Foreign School Issues**

<b># of Respondents</b>	<b># of Responses</b>	<b># of Burden Hours</b>
<u>Section 600.55(g) – Other criteria.</u>		
71	71	178
<b>TOTAL</b>		
<b>71</b>	<b>71</b>	<b>178</b>

**GRAND TOTAL for TEAM I and TEAM II**

**984,598**

**21,672,244**

**977,034**

**16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

**Collection of Information with Published Results**

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

**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.**

**Approval to Not Display Expiration Date**

The Department is not seeking approval to not display an expiration date. ED will publish a Notice in the Federal Register announcing the OMB number and expiration date once approved.

**18. Explain each exception to the certification statement identified in the Certification of Paperwork Reduction Act.**

**Exception to the Certification Statement**

The Department is not requesting any exceptions to the “Certification of Paperwork Reduction Act Submissions.”