

SUPPORTING STATEMENT
FOR PAPERWORK REDUCTION ACT SUBMISSION

Application for Grants under the Historically Black Colleges and Universities (HBCU) and
Student Aid Student Aid and Fiscal Responsibility Act (SAFRA) of 2009 Programs

(CFDA No.: 84.031B)

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 hard copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information, or you may provide a valid URL link or paste the applicable section¹. Specify the review type of the collection (new, revision, extension, reinstatement with change, reinstatement without change). If revised, briefly specify the changes. If a rulemaking is involved, make note of the sections or changed sections, if applicable.

The Office of Postsecondary Education is requesting reinstatement of this previously approved application which will be needed to make new awards in fiscal years (FY) 2015 for the Student Aid and Fiscal Responsibility Act (SAFRA) of 2009 program and 2017 for the Strengthening Historically Black Colleges and Universities (HBCU) program. The HBCU and SAFRA Programs are required by legislation to collect institutional data during the Phase I process to retain benefits annually. The SAFRA program begins a new grant cycle in FY 2015 and the application period is anticipated to take place in July of 2015. The previous application was discontinued as of May 31, 2014.

The authorizing statutes for these programs (Title III, Part B, Sections 321-327 of the Higher Education Act, as amended (20 U.S.C. 1060-1063c) for the HBCU Program; Title III, Part F, Section 371 of the Higher Education Act, as amended (20 U.S.C. 1067q) for the SAFRA Program; and the governing regulations (34 CFR Part 608) require the collection of this information to determine the applicant's eligibility. Link to applicable Legislation & Regulations:

<http://www2.ed.gov/programs/iduestitle3b/legislation.html>

Minor changes to the application have been made since OMB's last review and approval of the form. The dates and minor edits to the language were made to ensure accuracy and clarity. These clarifications do not require additional data from the applicant.

The collection of the information requested in the proposed application form is necessary to allow eligible historically Black institutions of higher education to apply for grant funds annually under the HBCU programs.

¹ Please limit pasted text to no longer than 3 paragraphs.

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.

The HBCU Title III, Part B Program is authorized by Section 322 of the HEA, as amended by the Higher Education Opportunity Act (HEOA) of 2008, and in the Code of Federal Regulations (34 CFR 608). The HBCU Program is a discretionary grant that provides formula based awards to establish or strengthen the physical plants, financial management, academic resources, and endowments. Institutions of higher education must be legally designated as a Title III eligible Historically Black College and University to apply for funding. In order to receive continuation funding, institutions must submit statutorily required data for program staff to calculate award amounts and must maintain their accreditation. The data collection of information is required under the program regulations 34 CFR Section §608.31 and Title III, Section 324 of the HEA, as amended for determining the level of funding awards for an institution.

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.

The HBCU and SAFRA program collection of information will be one hundred percent electronic, thereby minimizing burden to the fullest.

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.

The information submitted in each application is unique to each respondent. Moreover, the information changes annually. No other existing information collection can serve the purposes described in item 2.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden. A small entity may be (1) a small business which is deemed to be one that is independently owned and operated and that is not dominant in its field of operation; (2) a small organization that is any not-for-profit enterprise that is independently owned and operated and is not dominant in its field; or (3) a small government jurisdiction, which is a government of a city, county, town, township, school district, or special district with a population of less than 50,000.

Not applicable – small businesses or other small entities are not 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.

In order for the Department to determine the level of funding for an institution, the Phase I data collection of information is required under the program regulations 34 CFR – Section §608.31 and Title III, Section 324 of the HEA, as amended. If the requested information is not collected annually, grants cannot be awarded in accordance with the guidelines outlined in Title III, Part B and Part F of the legislation. If the collection were not conducted annually, appropriated funds could not be spent.

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.

There are no special circumstances that would require the collection to be conducted as outlined above in question 7.

8. As applicable, state that the Department has published the 60 and 30 Federal Register notices as 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.

We publish the applicable 30-day Federal Register notice required for public comment. Additionally, annual consultations and reviews have occurred with representatives of the HBCUs regarding the data collection instrument, and instructions provided during annual technical assistance workshops for all grantees, and during individual on-site visits.

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

No gifts or payments will be provided to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. If personally identifiable information (PII) is being collected, a Privacy Act statement should be included on the instrument. Please provide a citation for the Systems of Record Notice and the date a Privacy Impact Assessment was completed as indicated on the IC Data Form. A confidentiality statement with a legal citation that authorizes the pledge of confidentiality should be provided.² If the collection is subject to the Privacy Act, the Privacy Act statement is deemed sufficient with respect to confidentiality. If there is no expectation of confidentiality, simply state that the Department makes no pledge about the confidentiality of the data.

The Department's disclosure policies adhere to the provisions of the Privacy Act and no assurances of confidentiality are provided.

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

² Requests for this information are in accordance with the following ED and OMB policies: Privacy Act of 1974, OMB Circular A-108 – Privacy Act Implementation – Guidelines and Responsibilities, OMB Circular A-130 Appendix I – Federal Agency Responsibilities for Maintaining Records About Individuals, OMB M-03-22 – OMB Guidance for Implementing the Privacy Provisions of the E-Government Act of 2002, OMB M-06-15 – Safeguarding Personally Identifiable Information, OM:6-104 – Privacy Act of 1974 (Collection, Use and Protection of Personally Identifiable Information)

given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

Questions of a sensitive nature are not included in this information collection.

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

- Indicate the number of respondents by affected public type (federal government, individuals or households, private sector – businesses or other for-profit, private sector – not-for-profit institutions, farms, state, local or tribal governments), frequency of response, annual hour burden, and an explanation of how the burden was estimated, including identification of burden type: recordkeeping, reporting or third party disclosure. All narrative should be included in item 12. 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 the ROCIS IC Burden Analysis Table. (The table should at minimum include Respondent types, IC activity, Respondent and Responses, Hours/Response, and Total Hours)
- 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.

Estimated burden hours for this collection of information are 24 burden hours per respondent over five years and we estimate 97 respondents. Applications will be submitted electronically. Therefore, we expect an estimated total of 2,328 burden hours per annual submission.

Annual Burden Hours:

Phase I – 16 hours – annually

Phase II – 40 hours – once every five years

Estimated Individual Average Annual Burden Hours:

<i>Year 1</i>	<i>56 (new application every five years)</i>
<i>Year 2</i>	<i>16</i>

Year 3	16
Year 4	16
Year 5	16

120 hours per applicant

120 hours per applicant divided by 5 years = 24 average burden hours per applicant each year.

97 applicants x 24 burden hours = 2,328

2,328 = total average annual burden hours for all applicants

Of the 97 estimated respondents, 52 are public institutions and 45 are private, non-profit institutions. The total average annual burden hours for public institutions are 1,248. The total average annual burden hours for private, non-profit institutions are 1,080.

Average Estimate of Cost to Applicants:

Professional staff (1 personnel X 40 hours X \$52 per hour) = \$2,080	
Support staff (2 personnel X 16 hours X \$50 per hour) = \$1,600	
Total Professional cost:	\$2,080
Total Support cost:	<u>+\$1,600</u>
Total:	\$3,680

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. Also, these estimates should not include the hourly costs (i.e., the monetization of the hours) captured above in Item 12

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

The total for the capital and start-up cost components for this information collection is zero. This information collection will not require the purchase of any capital equipment and will not create any start-up costs.

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	
Development and Approval Process (1 staff x 75 hours x \$52 per hour)	\$3,900
Printing Phase I Formula Worksheets (194 Worksheets (2 pages) x \$1 (per page)	\$194
Monitoring of Grants (160 days x 6 staff x 280 hours)	\$268,800
World Wide Web Preparation for Posting (4 hours x 1 staff x \$52 per hour)	\$208
(40 hours x 1 staff x \$52 per hour)	\$2,080
Staff time to review and approve funding recommendation (20 hours x 1 staff x \$52 per hour)	\$1,040
Staff time to generate, approve, and issue grant awards. (48 hours x 1 staff x \$52 per hour)	\$2,496
Processing Applications 10 hours per award x 97 awards = 970/6= 162 hours per person 6 staff x \$50 x 162 hours= \$48,600	\$48,600
Total estimated cost to the Federal Government	\$327,318

15. Explain the reasons for any program changes or adjustments. Generally, adjustments in burden result from re-estimating burden and/or from economic phenomenon outside of an

agency's control (e.g., correcting a burden estimate or an organic increase in the size of the reporting universe). Program changes result from a deliberate action that materially changes a collection of information and generally are result of new statute or an agency action (e.g., changing a form, revising regulations, redefining the respondent universe, etc.). Burden changes should be disaggregated by type of change (i.e., adjustment, program change due to new statute, and/or program change due to agency discretion), type of collection (new, revision, extension, reinstatement with change, reinstatement without change) and include totals for changes in burden hours, responses and costs (if applicable).

This is a reinstatement of a previously discontinued collection. Therefore, all burden is new.

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.

Results of the collected 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.

Not applicable. This report will display the expiration date for the OMB approval of the information collection.

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

Not applicable. There are no exceptions to the certification statement.