



**Supporting Statement for Paperwork Reduction Act Submission
Federal Student Aid
Student Aid on the Web**

**Federal Student Aid
U.S. Department of Education**

1. Federal Student Aid of the U.S. Department of Education seeks renewal of the registration system within the Student Aid on the Web (previously the 'Students Portal'), an Internet Portal Web site (hereafter 'the Web site'). The collection of information through the Web site is necessary in order for Federal Student Aid to fulfill various missions as a Performance Based Organization. These include: "to implement an open, common, integrated system for the delivery of student financial assistance under title IV"; and "to develop and maintain a student financial assistance system that contains complete, accurate and timely data to ensure program integrity." (Section 141, sub-section a, 2-E and F). Attached are the *1998 Amendments to the Higher Education Act of 1965*, which articulate the administrative provisions for the delivery of student financial assistance through Federal Student Aid as a designated Performance Based Organization. Only the content has been updated on the Web site since it was first approved.

2. Web site users have the option of registering with 'MyFSA', whereby a user inputs specific personal information and, after providing consent by 'clicking', submits that information to Federal Student Aid. Once registered, the information provided by the user is leveraged by Federal Student Aid in a number of innovative ways. For example, studies have shown that providing student financial assistance information to middle school students and/or their parents dramatically increases the likelihood that those students will enroll in college. Therefore, registrant data is analyzed to help Federal Student Aid target the distribution of financial aid materials to specific groups of students and/or parents. In addition, the data assists Federal Student Aid in identifying those groups, communities, or geographic areas that do not appear to be receiving information about student financial assistance. Federal Student Aid also uses registrant data to facilitate the filing of Federal Student Aid's electronic student aid application by 'pre-populating' specific data fields, at the user's initiation, on the Free Application for Federal Student Aid (FAFSA). MyFSA also makes the college admissions process more efficient, more accurate, and faster by making it an

automated electronic process that pre-populates specific data fields, at the user's initiation, on an electronic College Admission Application. The following forms are available for pre-population on the Web site:

- FAFSA
- XAP College Admission Application, (Generic application, available to every school free of charge)

As of May 22, 2006, 182,975 people have established MyFSA accounts. We estimate that 222,975 MyFSA cumulative accounts will be established by the end of this fiscal year.

3. By collecting all information in an electronic format, the Web site lowers the burden on the user by making it possible for the Web site to 'remember' fields and/or questions that have already been answered by the user. The Web site transfers a portion of its data to the two forms referenced above, eliminating the need for the user to reenter specific information. This is by no means required, as all students will continue to have the option to use the paper-based forms and/or access the individual Web sites.

4. The Web site's collection is not duplicated within the U.S. Department of Education, and to our knowledge, is unique in government.

5. The Web site offers many capabilities to students. Of these, only the College Admission Application, in our estimation, could have any impact upon the private sector. And its impact would be minimal. Of those schools using admissions application facilitators (like XAP Corp) most have well-established business relationships with those providers and are highly unlikely to end them merely because Federal Student Aid offers a free electronic admission application for students. Furthermore, schools are able to maintain their established relationships while also registering in the Web site schools database at no cost.

6. Without the MyFSA registrant data, Federal Student Aid will be unable to refine the distribution of student aid materials and publications into a more efficient process; nor facilitate the filing of the FAFSA and the College Admission Application through the pre-population functionality; nor customize the information users receive via numerous financial aid and college 'wizards' on the Web site.

7. The Web site does not collect information in a manner that would invoke special circumstances.

8. The draft Notice, 'Department of Education Notice of Proposed Information Collection Requests' is included in the Paperwork Reduction Act clearance package.

As Federal Student Aid began to develop the first release of the Web site, we went to students, parents, high school counselors and college financial aid professionals, through focus groups and presentations, to find out what worked, what didn't, and what was missing. Federal Student Aid incorporated those ideas into the Web site. In-house student aid awareness expertise and user comments provide the insight and vision for these services to ensure that the Web site, especially the MyFSA functionality, continues to be easy to use and helps us increase the number of applicants who apply for financial aid via the

Internet, rather than through an expensive paper process.

9. No payment or gifts will be given, or otherwise made available, to MyFSA registrants.

10. The Privacy Act provides protection to Web site users. Our privacy disclaimer follows. ‘...We collect no personal information about you unless you choose to provide that information to us. We do not give, share, sell, or transfer any personal information to a third party. If you want to know more about how we record non-personal information about your visit or how we use information that you voluntarily submit,...

Information on the following topics is included in our privacy policy:

- What is ‘Student Aid on the Web’?
- What information is being collected in “MyFSA”?
- Non-personal information we record
- Links to other sites
- What if I choose not to register with “MyFSA”?
- How will the information collected be used?

11. The Web site does not collect information of a sensitive, personal nature (as defined).

12. Federal Student Aid conducted a technical workshop with a sample of (fewer than ten) potential users to obtain their views on the availability of data, frequency of collection, the clarity of instruction and record keeping, disclosure, and on the data elements to be recorded, disclosed, or reported. We estimate that it will take approximately six minutes for a first-time user to register, and then about two minutes to logon when they return to the site. Registered users will logon about eighteen times each year after their initial registration. We project that there will be 222,975 users that register via MyFSA on the Web site this fiscal year. Therefore, the estimated annual hour burden is 1,560,825 hours. (See below)

Annual Time Estimates (Individual):

Minutes to Register: 6 minutes (one time only)

Subsequent Logins: 36 minutes (2 minutes * 18 visits annually = 36 minutes)

Total Annual Time: 42 minutes (6 minutes + 36 minutes = 42 minutes)

Annual Time Estimates (Cohort):

Total Annual Time: 1,560,825 hours ($42 * 222,975 = 9,364,950 / 60 = 1,560,825$)

13. There is no annual cost burden to respondents or record keepers.

14. Current costs to the federal government: The Web site has incurred costs of \$678,000 for annual operating expenses.

Future Costs to the federal government: The Web site, like most Internet-based products, will incur annual operating costs. The annual cost will be approximately \$780,000. This amount is based upon an independent government cost estimate and may be less.

15. There are no program changes that have resulted from the development of the Web site. However, there is an increase in the number of times users logon to the Web site which has increased the number of responses. This is an adjustment.

16. Information collected via the Web site will not be published.

17. Federal Student Aid does not seek approval to exclude the expiration date.

18. Exemptions to the certification requirement are not requested.