

**SUPPORTING STATEMENT FOR  
PAPERWORK REDUCTION ACT SUBMISSION**

**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.

The Indian Education Formula Grant to Local Educational Agencies (LEAs) Program is authorized under Title VII, Part A, of the Elementary and Secondary Education Act. In order to participate in the program, Section 7114 of the legislation requires each LEA to submit an application and identifies specific information to be included in the application. The information collected is used to determine applicant eligibility and if the project meets the purpose of the legislation. The components of the application are based on the legislative requirements and the requirements of the Education Department General Administrative Regulations (EDGAR) (34 CFR Parts 75, 77, 79, 80, 81, 82, 85, and 86). The information collection is also necessary to meet the GPRA requirements.

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 purpose of the program is to support local educational agencies (LEAs) in their efforts to reform elementary and secondary school programs that serve Indian students. The Office of Indian Education uses the information to ensure that the programs meet the purpose of the legislation, are based on challenging state content and student performance standards, and are designed to assist Indian students in meeting those standards. The data collected are also used to provide baseline data on the achievement levels of Indian students for the program's performance indicators developed to meet the Government Performance and Results Act (GPRA) requirements.

The type of information collected is different for each LEA and is based on a comprehensive local assessment of student performance and prioritization of the unique educational and culturally related academic needs of their students.

Through *EDFacts*'s Formula Grant Electronic Application System for Indian Education (EASIE), each applicant will provide the following information. The citation for the requirement is listed after each item.

- Data on the assessment of Indian students' needs (20 USC 7424(c)(3)(A));
- A comprehensive program plan that shows how the applicant will meet those needs (20 USC 7424) with project objectives, activities and timelines for the funding period(s) requested (34 CFR 112);
- The results of the periodic assessment of all Indian students and how the LEA is responding to those findings (20 USC 7424);
- Professional development activities (20 USC 7424);
- Detailed budget information (20 USC 7425; 34 CFR 75.232); and
- As needed, a request for a waiver on the limitation to 5% on the use of program funds for administrative purposes (20 USC 7861) or a report on the effectiveness of a waiver (in subsequent years if a waiver was requested and approved) (20 USC 7861).

Changes from previous information collections:

The previous information collection addressed the requirements for submission of a hard copy application. This information collection addresses the requirements under a new web-based electronic application system (EASIE) that is a component of ED*Facts*. Potential grantees will submit their applications to ED*Facts*, which will automatically pre-populate data fields relating to student performance, graduation rates, and attendance. Additionally, eligible application will submit information describing the services and activities to be provided to Indian students with the grant funds received under this program.

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 of using information technology to reduce burden.

Collection of the information will be through a web-based electronic system for those applicants that have Internet access. A paper submission will be available to those applicants that request a waiver of the electronic system due to a lack of Internet access. It is estimated that less than one percent of the applicants may have technical issues preventing electronic submissions.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use of the purposes described in Item 2 above.

No duplication of effort exists. The Indian Education Formula Grant Program is unique and is not similar to any other grant program known within the Department. The Indian Education Formula Grants to LEAs program does not contain information that would be collected elsewhere; therefore this does not result in duplicate information collections. For example:

- The name and address of the LEA on the standard forms would be required to ensure accurate identification of the applicant. As most supplemental funding for LEAs are from state-administered grants, the standards forms in the application are not routinely used by LEAs. The exception may be for discretionary grants where LEAs are eligible applicants; however, accurate identification of the applicant would still be needed as many schools and school districts have the same or very similar names.
- The budget information on the standard forms would be specific to this program and would not reflect information that may be provided for other programs (such as for discretionary grants). This budget information also reflects only categorical total amounts where the information on the program-specific forms may have been only sub-totaled for the budget category.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

The information collection requirements do not place a burden on small businesses.

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.

Information provided by applicants for the Formula Grant program describes the project for which funding is requested. The information collected is necessary to evaluate applications and to meet legislative requirements for the program. The information will be submitted annually in two parts. Part I (approved under the ED Facts collection, IC 1875-0240) will be submitted in response to an annual closing date notice for Indian student count totals of applicants. The closing date notice, published in the Federal Register, will identify the beginning and ending dates for the open period of Part I during which all eligible applicants will be able to submit Indian student counts. Those applicants submitting Indian student count totals during the open period of Part I will then be eligible to submit their program and budgetary information under the open period of this collection (Part II of the electronic application system).

The new electronic system delineates between Part I, Indian Student Counts, and Part II, Program and Budget Information. Upon submission of Indian student counts in Part I, the Department will be able to verify the submitted counts and calculate the allocation amounts for all eligible applicants. These allocation amounts will be available to applicants when they enter Part II of the system to enter their program and budget information. As several sections of Part II will provide multiple-choice drop-down menus for grantee selections, rather than text entry, grantees are ensured that the Department approves their choices or selections. The drop down menu options were developed based on grantee input received during recent regional technical

assistance workshops conducted by the Office of Indian Education to discuss the design of the new system.

The changes in the system allow for timely processing and review of applications for funding; less frequent collection would not enable applicants to design the programs, apply for and receive funding based on an annual Indian student count.

Information on the total number of Indian students enrolled in an LEA is collected annually, as required by statute, in order to calculate LEA formula grant amounts. In the event of less frequent collection, the Department would be in violation of the statute.

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 which 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 requiring the collections to be conducted in a manner inconsistent with the guidelines.

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.

The Office of Indian Education held nine regional technical assistance workshops throughout the United States to solicit information from grantees and potential applicants on the basic functions and design of an electronic application system, including how to utilize pre-existing *EDFacts* data. The sessions were held in August, September and October of 2006 in preparation for redesigning the application process and refining the type of information collected. Attendees at the workshops had the opportunity to identify the options for selection in the drop down menus to describe their project's services and activities.

The Department published a 60-day Notice seeking public comment. During this 60-day comment period, the Department will actively seek feedback on the proposed system to generate additional comments.

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

No payments or gifts to contractors or grantees have been provided.

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

Confidential information is not requested from respondents in the Formula Grant Application.

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.

Information of a sensitive nature is not requested.

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 13 of OMB Form 83-I.
  - 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 not be included in Item 14.

*The annual burden is estimated as follows:*

**Grand Total Burden Hours:**

<u>Respondent Type</u>	<u>Number</u>	<u>Est. or Av. Person Hours Per Respondent</u>	<u>Total Hours</u>
Applicants	1,185	5.0	5,925

**Grand Total Respondent Costs:**

	<u>Total</u>	<u>Average</u>
LEAs (Applications)	\$77,027	\$65.00

## **BURDEN HOURS**

Estimates are based on the following:

On an annual basis, approximately 1,185 applications are submitted. The burden for these applicants has been significantly reduced by converting from a paper form to ED*Facts*'s new Formula Grant EASIE system. Formula Grant EASIE will:

- o Reduce data gathering and entry time for applicants by prepopulating student performance and demographic data from information already in ED*Facts*;
- o Reduce errors and accelerate the grant award process by providing drop down menus to help applicants select approved responses;
- o Expedite the grant award process because applicants will only need to submit their Part II budget and program information once to receive grants. The electronic, two-part system will enable OIE to verify the student counts, calculate the award amounts, and provide the award amounts to applicants (Part I) before they submit their budgets and design their programs (Part II). Previously, applicants were required to adjust their programs and budgets once the final award amount was calculated.
- o OIE will also use the ED*Facts*'s EASIE system to provide feedback to applicants electronically, and the entire grant application review and approval process will be expedited as a result.

### **Time estimations for burden:**

Form	Review & Completion (in hours/minutes)
Review application system & instructions	.30
Waiver Request, as needed (text entry for justification)	.20
Waiver Use Report, as needed if waiver was approved for prior year (text entry)	.20
Parent Committee Approval (discussion of program and obtaining PC approval)	1.00
Student Performance Data & Objectives (review of ED <i>Facts</i> data)	.10
Other Student Performance Data (optional/data entry)	.45
Indian Student Assessments (drop down menu options)	.05
Professional Development (drop down menu options)	.10
Budget Summary –Project Personnel (drop down menu options/minimal data entry)	.20
Detail Budget Summary - Other (drop down menu options/minimal data entry)	.20
Integration of Services (If program is consolidated, eliminates Budget Summary)	.20
GEPA 427 Statement (not required if on file in ED)	.10
Assurances, Certifications & Other Survey Forms (not required if on file in ED)	.10
Program Assurance (review)	.10
Review of Information and Certification	.10
TOTAL	5.0

## **RESPONDENT COSTS**

Estimates are based on the following:

The respondent cost estimates are computed using the hourly rates of a GS 5/1 and GS 12/1. These hourly rates are comparable to salaries of staff that will perform these functions for the respondent (data entry and review and certification).

The cost to respondents for compilation of the information and completion of the application is based on the estimated average per year for each type of respondent. Of this time, review of instructions, data compilation and entry, and review are included at an average of 4 hours 40 minutes (= 4.66 hours) and 20 minutes (= .33 hours) for review and certification.

### ***Respondent Costs:***

***(1185 x 4.66 hrs) x \$12.07 hr = \$66,652***

***(1185 x .33 hrs) x \$26.53 hr = 10,375***  
***\$77,027***

***Average cost per LEA is \$65 (\$77,027 / 1185 = \$65.00)***

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 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:

Total Annual Costs (O&M):

Total Annualized Costs Requested: \_\_\_\_\_

There are no startup 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.

The cost to the government includes minimal copying costs for those few applicants that are unable to access the application system via the Internet (estimated at less than one percent of the total number of applicants). Estimated costs include copying, postage and staff time for mailing.

Costs are estimated as follows:

***10 copies x \$1.00 = \$10.00 copying***  
***10 x .50 = 5.00 postage***  
***.50 hrs. x \$10.79 = 5.39\* mailing***  
***\$20.39***

\*Calculated at the hourly wage of \$10.79 for a GS-4/1 at 3 minutes per application 10 copies x 3 min. each = 30 min. or .50 hours)

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.

This information collection was previously approved under OMB #1810-0021 with an information collection budget of 17,340 hours, but was allowed to expire on 4/30/2006 and was last used 3/30/2006).

The total burden requested for this reinstatement of OMB #1810-0021 is 5,925 hours with all the hours representing an increase from zero. However, this is a program change of -11,415 hours from the previously approved collection.

The annual burden for the prior collection was based on the fact that all applicants were required to submit a hard copy application and manually enter all performance and program information. For this collection (FY 2007 and for the duration of the clearance period), approximately 99.9% of all grantees will be submitting an electronic application that will prepopulate student performance and demographic data from ED*Facts*. The new electronic application system streamlines the application process for grantees, who will only need to submit performance and budget information once (as opposed to twice for the paper collection process). The enhancements also provide applicants with menus of options, reducing errors, and offers interactivity so the Office of Indian Education can more easily make comments on the applications. Consequently, the information collected is less (in paperwork and burden) than those previously required.

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.

The individual information collections are not 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.

The expiration date will be displayed on the form.

18. Explain each exception to the certification statement identified in Item 20, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.

There are no exceptions to the certifications.

## **B. Collection of Information Employing Statistical Methods**

This information collection does not employ statistical methods.

The agency should be prepared to justify its decision not to use statistical methods in any case where such methods might reduce burden or improve accuracy of results. When Item 17 on Form 83-I is checked “Yes,” the following documentation should be included in the Supporting Statement to the extent that it applies to the methods proposed:

1. Describe the potential respondent universe (including a numerical estimate) and any sampling or other respondent selection method to be used. Data on the number of entities (e.g., establishments, state and local government units, households, or persons) in the universe covered by the collection and in the corresponding sample are to be provided in tabular form for the universe as a whole and for each of the strata in the proposed sample. Indicate expected response rates for the proposed sample. Indicate expected response rates for the collection as a whole. If the collection had been conducted previously, include the actual response rate achieved during the last collection.
2. Describe the procedures for the collection of information, including:
  - Statistical methodology for stratification and sample selection.
  - Estimation procedure.
  - Degree of accuracy needed for the purpose described in the justification.
  - Unusual problems requiring specialized sampling procedures, and
  - Any use of periodic (less frequent than annual) data collection cycles to reduce burden.
1. Describe methods to maximize response and to deal with issues of non-response. The accuracy and reliability of information collected must be shown to be adequate for intended uses. For collections based on sampling, a special justification must be provided for any collection that will not yield “reliable” data that can be generalized to the universe studied.
2. Describe any tests of procedures or methods to be undertaken. Testing is encouraged as an effective means of refining collections of information to minimize burden and improve utility. Tests must be approved if they call for answers to identical questions from 10 or more respondents. A proposed test or set of tests may be submitted for approval separately or in combination with the main collection of information.
3. Provide the name and telephone number of individuals consulted on statistical aspects of the design and the name of the agency unit, contractor(s), grantee(s), or other persons who will actually collect and/or analyze the information for the agency.