

**SUPPORTING STATEMENT
FOR PAPERWORK REDUCTION ACT SUBMISSION
U.S. Department of Education Supplemental Information for the SF-424**

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.

In the previous clearance of the 1890-0017 collection (now 1894-0007) in 2004, the U.S. Department of Education (ED) cleared the Application for Federal Education Assistance or ED 424 under this collection number. Since that time, ED has discontinued use of the ED 424 Form and has begun using the SF-424, Application for Federal Assistance, together with the U.S. Department of Education Supplemental Information for SF-424 form. ED made a policy decision to switch to the SF-424 in keeping with Federal-wide forms standardization and streamlining efforts, especially with widespread agency use of Grants.gov. There were several data elements/questions on the ED 424 that were required for ED applicants that were not included on the SF-424. Therefore, ED put these questions that were already cleared as part of the 1890-0017 collection (now 1894-0007) on a form entitled the, U.S. Department of Education Supplemental Information for the SF-424.

The forms in the SF-424 forms family (e.g., the SF-424 Core Form, SF-424M, etc.) have already been cleared for use by Federal agencies to collect certain identifying information and other data from grant applicants. In this renewal for the collection package for 1894-0007 (formerly 1890-0017), ED is requesting clearance only for the U.S. Department of Education Supplemental Information for the SF-424 form (ED Supplemental Information form). The questions on this form deal with the following areas: Project Director identifying and contact information; Novice Applicants; and Human Subjects Research. The ED supplemental information form could be used with any of the SF-424 forms in the SF-424 forms family, as applicable.

The following statements describe the necessity of each of the question areas on the ED Supplemental Information form:

- Project Director: It is extremely helpful to Department staff both in the pre-award and post-award phase to know the name and contact for the proposed Project Director for a grant. Often, the person listed as the contact for matters involving the application on the SF-424 has not been directly involved in the preparation of the programmatic portion of the application. Having proposed Project Director information assists us in coordinating pre-award contacts with the proposed project director if necessary (note that ED has established policy regarding what types of pre-award contacts with an applicant are appropriate.) Further, having proposed Project Director information available in the application on the supplemental information form, allows ED to quickly establish contact with the proposed Project Director after the grant has been awarded.
- Novice Applicant: In this collection, ED is revising the Novice Applicant question on the ED supplemental information form. The current question asking applicants to

indicate whether they are a novice applicant (as defined in 34 CFR 75.225) applies only to discretionary grant competitions that are giving special consideration to novice applicants (i.e., holding a separate novice only competition or giving a competitive preference (e.g., extra points) to novice applicants in a regular competition.) ED is proposing to amend the question to ask all applicants under discretionary grant competitions whether they are novice applicants as defined in 34 CFR 75.225. By asking this question of all applicants, ED will be better able to plan for the amount and type of technical assistance a novice applicant might need if funded. Further, the regulations in 34 CFR 75.225 (d) state that before making a grant to a novice applicant, the Secretary imposes special conditions, if necessary, to ensure the grant is managed effectively and project objectives are achieved. It is therefore important for ED to have information in the application about whether an applicant is a novice in order to assist with determining whether special conditions might be necessary.

- Human Subjects Research: In order to comply with 34 CFR Part 97, ED must collect information on which applications are planning on conducting human subjects research; which applications are planning on conducting exempt research (and which exemption applies); and lastly which applications are planning on conducting non-exempt research which will eventually need to provide a certification of Institutional Review Board approval, if funded. One of the Human Subjects questions also asks whether the applicant has a Federal Wide Assurance on file with the Office of Human Research Protections.

In this collection, ED has added six check boxes on the form (item 3b.) corresponding to the six categories of exemptions for research activities involving human subjects. This should make responding easier for applicants (and easier for ED to compile data on what exemptions are used by ED applicants). Other minor numbering changes were also made to the Human Subjects Research questions, for example, the item on the form instructing applicants to attach their non-exempt or exempt research narrative to the form, if applicable, has been numbered (item 3c.)

In addition, there are several proposed changes to the instructions. In the past, many ED applicants have found the exemptions (from the regulations) confusing, usually interpreting them much more broadly than ED's Office of the General Counsel (or the Office for Human Research Protections) do. The proposed changes add brief text that seeks to make the scope of certain exemptions clearer to the applicant. Applicants are also reminded in the instructions that no covered human subjects research can be conducted until the study has ED clearance for protection of human subjects in research.

Lastly, the contact address for requesting a copy of 34 CFR Part 97 and other protection of human subjects information has changed.

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.

As indicated in the response to Question #1 of this Supporting Statement, ED program offices use the Project Director contact information to assist with any pre-award contact with the applicant, if necessary, and to facilitate expeditious contact with the Project Director after the grant has been awarded to begin establishing a partnership relationship between ED and the grantee. The novice applicant question is used by ED program offices to identify which applicants qualify as novice applicants in competitions that give special consideration to novices. Further, in the future this question will be asked of all applicants, not just those applying to programs giving special consideration to novices, in order to help

ED plan for the amount and type of technical assistance that might be needed for novice grantees. Lastly, the Human Subjects Research questions are used by ED to determine which applicants are subject to the Protection of Human Subjects regulations in 34 CFR Part 97 and those that will need to obtain certification of IRB approval and a Federal Wide Assurance.

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.

In FY 2007, 100% of ED's discretionary grant competitions were available in Grants.gov FIND and all ED discretionary grant competitions that were able to, participated in Grants.gov APPLY. The SF-424 and the ED Supplemental Form (being cleared in this collection) are available application package forms for ED competitions in the Grants.gov APPLY module. In FY 2007, approximately 71% of ED's discretionary grant applications were received electronically either through Grants.gov or e-Application (approx 10%). In FY 2008 and beyond, ED expects that the number of applications submitted via Grants.gov will continue to increase. Accordingly, ED is estimating that 75% of the responses will be submitted electronically for this collection.

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.

ED has already eliminated duplication by discontinuing use of the agency-specific ED 424 that had many of the same data elements as the SF-424. The three question areas on the ED Supplemental Form are unique data elements that are not contained on the SF-424 and that are necessary for ED to collect for the reasons indicated in the response to Question #1 above.

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.

Under EDGAR regulations, all requirements for small entities are minimized.

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.

The administration, determination and distribution of program funds could not be accomplished if the information was collected less frequently. The frequency of the application is mandated by the respective legislation and program regulations and the availability of ED funding for new grant competitions.

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.

This information will not be collected in a manner inconsistent with the general information collection guidelines in 5 CFR 1320.5.

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.

Opportunity for comment is given through annual national conferences, regional and state meetings, frequent monitoring contacts with applicants/grantees (i.e., State Education Agencies (SEA's), Local Education Agencies (LEA's), Tribal Governments, Institutions of Higher Education (IHE's) and Non-Profit Organizations [NPO's]), which are the entities affected by the information collection. Inexperienced, novice applicants participating in these conferences have expressed an interest in receiving increased technical assistance and support from ED if awarded a grant. The revised question on this form requesting that all applicants indicate whether or not they meet the Department's definition of novice applicant is an effort to help identify novice applicants as early as possible so that ED can plan for the amount and type of technical assistance a novice might need, if funded. The Department will publish both 60 and 30-day Federal Register Notices inviting public comment.

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

No payments or gifts are provided to respondents.

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

ED is not requesting any confidential information in this collection; therefore no assurances of confidentiality are required.

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.

This information collection does not include information of a sensitive nature.

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.

**Table 1
Respondent's Hour Burden**

	Number of Respondents	Frequency of Responses	Hours per Response	Annual Burden
Discretionary (includes Fellowships)	17,000	1	.33	5610
Formula	9,000	1	.25	2250
Totals	26,000			7860

The time required to complete this information collection is estimated to average between 15 and 45 minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. An average of 20 minutes or 1/3 of an hour (.33) is used to calculate burden hours for discretionary grant applicants in this collection and an average of 15 minutes or ¼ of an hours (.25) is used to calculate burden hours for formula grant applicants in this collection. The hours per response in this collection for discretionary grant applicants has been increased from 15 to 20 minutes per response from the previous clearance of this collection to account for the fact that all discretionary grant applicants must now answer whether or not they meet ED's definition of a novice applicant. Some applicants may need to research their Federal funding history before responding to this question. Please note that the majority of ED grant applications will not be conducting Human Subjects Research so the time to review the applicable instructions and obtain the required information will not be applicable to many applicants.

- 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.

**Table 2
Respondent's annualized Cost**

Respondent's Hourly Wage	Hours per Response	Cost to Respondent per Response
\$33.43¹	.33 (discretionary grant applicants)	\$11.03 (discretionary grant applicants)
\$33.43	.25 (formula grant applicants)	\$8.36 (formula grant applicants)

5610 discretionary grant applicants X \$11.03 = \$61,878.30

2250 formula grant applicants X \$8.36 = \$18,810.00

Respondent's total annualized cost: \$80,688.30

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.

¹ The hourly rate of \$33.43 is based on the current GS-12 step 1 salary for the Locality Pay Area of Washington-Baltimore, DC-MD-VA-WV (Including St. Mary's County, MD) Effective January 2008.

- 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 : \$.00
 Total Annual Costs (O&M) : .00

Total Annualized Costs Requested : \$.00

No start-up maintenance, and purchase of services costs will be incurred by the respondents.

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.

Printing Costs		
Number of Applications	Per Unit Cost	Total Cost
5,000	.05	\$250

Data Entry Cost		
Number of Hard Copy Applications (Discretionary & Formula)	Per Unit Cost ²	Total Cost
13000	1.56	\$20,280.00

Staff Review Costs

² The per unit cost is based on the 2007 General Pay Schedule of a GS-7, Step 1 (\$18.81). It is estimated to take approximately 5 minutes per application to enter the data or 1/12 of an hour.

\$33.43 (GS-12 salary) X .17 of an hour (10 minutes) X 26000 = \$147,761

Total Annualized Cost to the Federal Government:

Printing: \$250 + Data Entry: \$20,280 + Staff Review: \$147,761 = \$168,291

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

There is a slightly greater number of respondents estimated in this collection (26,000) than in the current inventory for this collection (25,344). The change in respondents is due to a higher number of discretionary and formula grant applicants estimated for FY 2008, 2009 and 2010 (based on applicant data in the last 3 fiscal years). Please note however that the number of respondents for the Impact Aid programs was deleted from this collection since the Impact Aid formula programs do not use the SF 424 or this ED Supplemental Information form. The limited number of potential Impact Aid discretionary grants applicants (e.g., less than 250) are included in the discretionary grant applicant numbers. The burden hours have also been increased from the current inventory (7860 burden hours requested vs. 6753 burden hours in the current inventory). This increase is due to the fact that it may take slightly longer (average of 20 minutes vs. 15 minutes (in current inventory)) for discretionary grant applicants to complete the revised ED Supplemental Information form now that all discretionary grant applicants must indicate on the form whether or not they meet ED's definition for a novice applicant. Some applicants may need to research their Federal funding history in order to accurately respond to this question.

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.

No plans exist to publish information collected for statistical use.

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.

We are not seeking approval to not display the expiration date for this information collection.

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 certification statement.

B. Collection of Information Employing 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.
3. 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.

4. 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.

5. 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.

The results of this information collection will not be published for statistical purposes.