

**SUPPORTING STATEMENT FOR REQUEST FOR OMB APPROVAL
Under the Paperwork Reduction Act and 5 CFR 1320**

**Corporation for National and Community Service's
*Interest Accrual Form***

A. JUSTIFICATION

The National and Community Service Act of 1990, as amended, requires that the Corporation pay, on behalf of AmeriCorps members, all or a portion of the interest that accrues during their service period, if their loans were in forbearance during their service and if they successfully complete their terms of service. The intention is to keep the qualified student loan debt of full time members from increasing during their service period. The percentage of accrued interest the Corporation pays is determined by a formula included in the Trust's regulations. For an AmeriCorps member who serves in a full time position (a minimum of 1700 hours) for a year or less, the Corporation will pay all the interest that accrued. For a person who completes anything less than a full time term, the portion paid can be less than 100%.

1. Need for Data Collection

To pay the appropriate portion of the accrued interest, the Corporation must know the total amount of interest that accrued during the entire service period. Most loan holders will not release information regarding their borrowers unless they have a written statement authorizing this release. The *Interest Accrual Form*, or its electronic equivalent, serves to 1) request that the loan holder calculate the amount of interest that accrued, and 2) give permission to and direct the loan holder to release the information to the Corporation. The form has a "Manual" version generated from the online request when the institution is not registered online, which provides the

AmeriCorps member's electronic signature; the non-electronic version provides a space for the member and the authorized program official to sign.

2. Use of Information to be Collected

The information collected is used to determine the amount of the interest payment for which the AmeriCorps member is eligible. With this information the Corporation makes a payment.

3. Use of Improved Technology to Reduce Burden

Beginning in 2006, the Corporation implemented an online payments system which allows AmeriCorps members and institutions to complete their payment requests electronically. Currently, more than half of the education award and interest payments are directly entered into the Trust's database.

4. Efforts to Identify Duplication

This information is not being requested by any other means.

5. Burden on Small Entities

AmeriCorps members and their loan holders fill out this form or its electronic equivalent. The form requests only the most pertinent information not available to the Trust elsewhere. While some of these organizations may fall under OMB's definition of small entities, completing the form should not have a significant impact on a substantial number of small entities.

6. Consequences of Less Frequent or No Data Collection

AmeriCorps members use the form or its electronic equivalent to request payments. If this data were not collected, the Corporation would be unable to make the payments as required by law.

7. Special Circumstances

No special circumstances exist with respect to this form.

8. Federal Register Publication and Comments Received

On March 27, 2008, a notice was placed in the Federal Register for a 60 day pre-clearance public comment period. No comments were received.

9. Provisions of Payments or Gifts

No payments or gifts are provided.

10. Assurance of Confidentiality

Confidentiality of information supplied by respondents is ensured by the Privacy Act. A Privacy Act notice appears on the form and its electronic equivalent.

11. Sensitive Questions

No sensitive questions are included on the form.

12. Estimates of Hour Burden of the Collection of Information

667 hours: (1 minute for AmeriCorps members to complete their section and 9 minutes for loan holders to complete their section, totaling 10 minutes times 4,000 forms).

13. Estimate of Total Annual Cost

The estimated total annual cost is \$9,945: (67 hours for members x \$5.15/hr = \$345.00 and 600 hours for loan holders x \$16.00/hr = \$9,600.00).

14. Annualized Cost to Federal Government.

There will be no additional costs to the federal government, other than the customary cost of doing business.

15. Reasons for Program Changes or Adjustments

The burden has changed. The number of respondents is expected to be less, based on a review of annual records. Additionally, there now are two people responding to the questionnaire- a member, and a certifying official who signs the form.

16. Outline of Plans for Tabulation and Publication

There will be no publication of the data from the forms.

17. Display of Expiration Date

The Corporation will display the expiration date.

18. Exception to Certification Statement

No exceptions are requested

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Statistical methods will not be used.