

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.

As part of the American Recovery and Reinvestment Act (ARRA) of 2009, the State Fiscal Stabilization Fund (Stabilization)¹ provides \$53,600,000,000 to States in exchange for a commitment to advance education reforms, such as launching strategies that address inequities in the distribution of highly qualified teachers, building robust data systems that allow districts to better track student achievement, raising standards and strengthening student assessments, and turning around failing schools. For each area of reform, the ARRA prescribes specific action(s) that the State must assure that it will implement. In addition, section 14005(a) of the ARRA requires a State that receives funds under the Stabilization program to submit an application to the U.S. Department of Education (the Department) containing such information as the Secretary may reasonably require

The Stabilization program is a formula grant program with two distinct portions – the Education Fund and the Government Services Fund. By statute, 81.8 percent, or \$39,743,348,000, of each State’s total Stabilization allocation is awarded under the Education Fund (CFDA No. 84.394) and the remaining 18.2 percent, or \$8,842,652,000, is awarded under the Government Services Fund (CFDA No. 84.397).

The US Department of Education (Department) has already awarded an initial allocation, Phase I, of Stabilization grants to Governors on the basis of each State’s relative shares of individuals aged 5 to 24 and of total population. During Phase I of the Stabilization program, States received a portion of their award under the Education Fund and the entire award amount under the Government Services Fund. During the second phase of the Stabilization program, The Department will be awarding States the remaining portion of their awards under the Education Fund².

States requesting the remainder of their State Fiscal Stabilization Fund monies—in most cases, the remaining 33 percent of the Education Fund allocation³—must complete and submit the application contained in this packet in its entirety. To receive funding, applications will need to

¹ The excerpt from the American Recovery and Reinvestment Act of 2009 relevant to the State Fiscal Stabilization Fund may be accessed at: <http://www.ed.gov/policy/gen/leg/recovery/statutory/stabilization-fund.pdf>

² Estimated state allocations for the Education Fund and Government Services Fund are available at: <http://www.ed.gov/programs/statestabilization/fy09statestabilizationfund.xls>

meet standards of both completeness and quality. The Department will employ a two-tier review process to evaluate State applications. The first review will verify that a State submitted a complete Phase II application. The second review will judge the application against the approval criteria identified in the NFR to assess the quality of the plan.

Phase I of Stabilization provided immediate assistance to help alleviate the substantial budget shortfalls States were facing. States, however, continue to experience financial difficulties and the Department is committed to continuing its support to States through the Stabilization program and is aiming to do so within a short timeframe. Additionally, the approval status of a State's Stabilization application will affect the State's eligibility to apply for subsequent grant opportunities offered by the Department, such as the Race to the Top competition. For these reasons, we are requesting emergency clearance of the Stabilization program application.

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 information collected is in the form of a single application submitted by State governors. To receive the Phase II portion of the State's allocation under the State Fiscal Stabilization Fund (Stabilization) program, a Governor must submit to the Department an application that provides the following information:

- A completed application cover sheet that includes the signature of the Governor or authorized representative. (*Part 1 of the Application*)
- A complete updated and/or reaffirmation of Maintenance-of-Effort (MOE) data (*Part 2A of the Application*).
- An attestation that the State has met all MOE requirements for FY 2009 that includes the signature of the Governor or authorized representative, or acknowledgement of inability to meet MOE requirements (*Part 2B of the Application*).
- The State's status with regard to collection, public reporting and other information related to the indicators and descriptors in the following education reform assurance areas:
 - (1) achieving equity in teacher distribution;
 - (2) improving collection and use of data;
 - (3) standards and assessments; and
 - (4) supporting struggling schools (*Part 3A of the Application*).
- A completed State plan that describes how the applicant will collect and publicly report the data and information related to the assurance indicators and descriptors (*Part 3B of the Application*).
- Complete responses to the questions in the General Requirements section (*Part 3C of the Application*).

³ If a State's FY 2009 shortfall exceeded 67 percent of the Education Fund allocation, they could request an amount equal to the needed restoration amount, up to 90 percent of the State's total Education Fund allocation.

States are required to create or modify an existing website to fulfill the public reporting requirements of this application. The website will contain the actual data requested under each indicator and descriptor, if available. If not collected or available for reporting, the website will say as much for each applicable indicator or descriptor. The purpose in this requirement is to ensure that the data are publicly available and accessible to all stakeholders.

This is a new collection. The Department will review the applications first for completeness to award seventy-five percent of each State's total remaining allocation of Stabilization funds. We will then assess the applications in a more thorough quality review before awarding the remaining twenty-five percent. The Department will use the information collected from this grant application to assess the capacity of States to collect and report information related to the assurances they committed to for Phase I of Stabilization. A State must demonstrate its ability to meet specific data and information requirements (the assurance indicators and descriptors) with respect to the statutory assurances. In addition, in the cases where a State is not currently able to meet the specific data and information requirements, a State must submit a State plan to describe how it will respond to the requirements of each assurance indicator and descriptor. Together, these two sets of requirements aim to provide transparency on the extent to which a State is implementing the actions for which it has provided assurances.

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.

The information requested under this collection will be gathered by email, fax, or other non-electronic means such as courier or postal service. The Department is not employing electronic means beyond email for this collection due to the short timeframe of this application process. The employment of electronic means such as an online grants application or data warehouse would require additional time to set up the appropriate structure. The Department expects no more than 52 applications under this collection, and therefore has sufficient capacity to deal with the number of email or paper-based submissions. The information gathered through this process is detailed in A2.

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.

The information requested under this collection is unique to the Stabilization program and most of it has not been collected by the Department in the past. Furthermore, the assurances under

which the indicators and descriptors fall are unique to the Stabilization program and as such, no previous collection can provide the necessary information.

However, out of the 36 indicators and descriptors, 10 reflect information that the Department has on file. As such, the Department has made every effort to reduce the burden on States in producing the information. We will compile the information for those 10 indicators on a Department website where States can review their information and verify that it is correct. The information compiled by the Department from available sources are listed in the following table:

Indicator	Available Data
(a)(1) Confirm, for the State, the number and percentage (including numerator and denominator) of core academic courses taught, in the highest-poverty and lowest-poverty schools, by teachers who are highly qualified consistent with section 9101(23) of the Elementary and Secondary Education Act of 1965, as amended (ESEA).	As part of the annual Consolidated State Performance Report (CSPR), each State provides data on the number and percentage of core academic courses that are taught by highly qualified teachers in high- and low-poverty schools. (See http://www.ed.gov/admins/lead/account/consolidated/sy07-08part1/index.html .) The Department will ask States to confirm data reflected in the most recent CSPR. The data to confirm will be provided in PDF format on a Department website at the following link: http://www.ed.gov/programs/statestabilization/confirm-indicators.html . This link will be activated once the applications are available to the public.
(a)(2) Confirm whether the State’s Teacher Equity Plan (as part of the State’s Highly Qualified Teacher Plan) fully reflects the steps the State is currently taking to ensure that students from low-income families and minority students are not taught at higher rates than other students by inexperienced, unqualified, or out-of-field teachers (as required in section 1111(b)(8)(C) of the ESEA).	Each state is required to create and follow a High Qualified Teacher Plan, which includes a Teacher Equity Plan. These plans are posted on the Department’s website. For the purposes of the Stabilization Phase II application, States will be required to go to a URL (see http://www.ed.gov/programs/teacherqual/hqtplans/index.html) to locate their State’s plan and verify that the Teacher Equity Plan is up-to-date and accurate.
(c)(1) Confirm the approval status, as determined by the Department, of the State’s assessment system under section 1111(b)(3) of the ESEA with respect to reading/language arts, mathematics, and science assessments; (c)(2) Confirm whether the State has developed and implemented valid and reliable alternate assessments for students with disabilities that are approved by the Department; (c)(3)	In regards to these three indicators, the Department maintains records of the approval status of each State’s assessment system, including those that are provided in the native language of limited English proficient students, and alternate assessments based on various achievement standards. The current approval status for each State will be provided in PDF format on a Department website at the following link: http://www.ed.gov/programs/statestabilization/confirm-indicators.html . This link will be activated

<p>Confirm whether the State’s alternate assessments for students with disabilities, if approved by the Department, are based on grade-level, modified, or alternate academic achievement standards; (c)(7)</p>	<p>once the applications are available to the public.</p>
<p>(c)(5) Confirm the number and percentage (including numerator and denominator) of students with disabilities who are included in State reading/language arts and mathematics assessments; (c)(8) Confirm the number and percentage (include numerator and denominator) of limited English proficient students who are included in State reading/language arts and mathematics assessments; (d)(10) Confirm, for the State and for each LEA in the State that operates charter schools, the number of charter schools currently operating.</p>	<p>In regards to these three indicators requesting information on students participating in assessments and charter schools in each State, the data are separately reported by States to the Department and available on ED Facts. The Department will pull the data from ED Facts and provided them in PDF format on a Department website at the following link: http://www.ed.gov/programs/statestabilization/confirm-indicators.html. This link will be activated once the applications are available to the public.</p>
<p>(c)(9) Confirm that the State’s annual State Report Card (under ESEA section 1111(h)(1)) contains the most recent available State reading and mathematics NAEP results as required by 34 CFR 200.11(c).</p>	<p>Instead of requiring States to separately report the most recent available reading and mathematics NAEP results, the Department is requesting that States provide the URL to where the data are located.</p>

5. If the collection of information impacts small businesses or other small entities (Item 8b of IC Data Part 2), describe any methods used to minimize burden.

The eligible applicants for the Stabilization program are state governors. No small businesses or entities will be impacted by this collection.

In order to reduce the burden on local education agencies and institutions of higher education, the Department is using data that is currently collected in order to address the required Indicators and Descriptors. When new information collection is required, the Department has made every effort to ensure that the required collection is absolutely necessary to meet the requirements of the program.

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 consequence of not conducting the collection of information under the Stabilization program application process would be that Governors would not be able to receive Stabilization funds and the Stabilization program could not be implemented. The Department must conduct this collection in order to disseminate the first half of the money, which will allow states to make up for cuts to education and other government services, saving jobs and important services. Failure to distribute the funds could result in further job losses and cutbacks in educational and government spending, resulting in bigger class sizes and the withholding of crucial services. The Department would be out of compliance with the Stabilization provision of ARRA if it does not conduct this information collection.

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 collection is consistent with 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.

The public comment period will be waived for this ARRA-related emergency collection since there is a tremendous need to make the Phase II applications available and to release the remaining funds. Many comments related to data collection and burden were received during the public comment period on the notice of proposed priorities. These are addressed in the notice of final priorities.

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

No payments or gifts to respondents have been made.

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

There is no assurance of confidentiality.

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.

There are no questions 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 16 of IC Data Part 1.
- 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.

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Burden hour for Respondents

The Department estimates that approximately 52 applicants (State governors) will apply. In addition to the information that each State will collect, local education agencies (LEAs) and institutions of higher education (IHEs) will also be required to submit information in order for States to complete their applications. The burden estimate for each entity is described below.

Burden hours for States

The average burden for the application is estimated to be 5962 hours and 36 minutes per applicant, for 288,304 burden hours total. The average is estimated as the maximum possible burden for a State responding to every requested item. This is a new collection, with no prior basis for calculation of burden for most portions of the application. An estimate of burden was calculated based on program staff experience that it would take a typical governor's staff member or team of staff members the following amounts of time to complete each section of the application:

Part	Time burden	Basis for calculation
Part 1: Cover Sheet	6 minutes	Time taken to fill out form with readily available information
Part 2A: MOE Update	1 hour	Time taken to update MOE information
Part 2B: MOE Attestation	6 minutes	Time taken to read and attest to MOE compliance
Part 3A: Indicators and Descriptors	4990.4 hours	Time taken to research, discuss and provide information on indicators and descriptors
Part 3B: State Plan	587 hours	Time taken to research, discuss, and provide information on State Plan
Part 4: General Requirements	384 hours	Time taken to research and describe the processes the State employs to review data and ensure that personally identifiable information is not made public.
Total burden	5962 hours, 36 minutes	

Cost to States

The Department estimates that the per-hour cost at the Governor's office staff level will average \$30 per person hour for a total of \$8,649,120.

Burden Hours for LEAs

As part of the application, local education agencies (LEAs) will need to provide data to State governors. The average burden for the application for LEAs is estimated to be 83 hours, 57 minutes per applicant, for 522,677 burden hours total. The average is estimated

as the maximum possible burden for any given LEA responding to every requested item. This is a new collection, with no prior basis for calculation of burden for most portions of the application. An estimate of burden was calculated based on program staff experience that it would take a typical LEA staff member or team of staff members the following amounts of time to complete each section of the application:

Part	Time burden	Basis for calculation
Part 1: Cover Sheet	N/A	Time taken to fill out form with readily available information
Part 2A: MOE Update	N/A	Time taken to update MOE information
Part 2B: MOE Attestation	N/A	Time taken to read and attest to MOE compliance
Part 3A: Indicators and Descriptors	83.95 hours	Time taken to research, discuss and provide information on indicators and descriptors
Part 3B: State Plan	N/A	Time taken to research, discuss, and provide or information on State Plan
Part 4: General Requirements	N/A	Time taken to describe the processes the State employs to review data and ensure that personally identifiable information is not made public.
Total burden	83.95 hours per LEA	

Cost to Respondents

The Department estimates that the per-hour cost at the LEA staff level will average \$25 per person hour for a total of \$13,066,925.

Burden Hours for IHEs

As part of the application, institutions of higher education (IHEs) will need to provide data to State governors. The average burden for the application for IHEs is estimated to be 72 hours, 57 minutes per institution, for 199,285 burden hours total. The average is estimated as the maximum possible burden for any given IHE responding to every requested item. This is a new collection, with no prior basis for calculation of burden for most portions of the application. An estimate of burden was calculated based on program staff experience that it would take a typical IHE staff member or team of staff members the following amounts of time to complete each section of the application:

Part	Time burden	Basis for calculation
Part 1: Cover Sheet	N/A	Time taken to fill out form with readily available information
Part 2A: MOE Update	N/A	Time taken to update MOE information

Part 2B: MOE Attestation	N/A	Time taken to read and attest to MOE compliance
Part 3A: Indicators and Descriptors	72.95 hours	Time taken to research, discuss and provide information on indicators and descriptors
Part 3B: State Plan	N/A	Time taken to research, discuss, and provide or information on State Plan
Part 4: General Requirements	N/A	Time taken to describe the processes the State employs to review data and ensure that personally identifiable information is not made public.
Total burden	72.95 hours per IHE	

Cost to Respondents

The Department estimates that the per-hour cost at the IHE staff level will average \$25 per person hour for a total of \$4,982,125.

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	: 0
Total Annual Costs (O&M)	: 0
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Total Annualized Costs Requested	: 0

There are no start-up costs for this collection.

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 Federal costs will involve reviewing the applications, verifying the requested amounts, and awarding the Stabilization funds to States:

- Grade 13: 120 hours at \$43.04/hour = \$5,165
- Grade 14: 10 hours at \$50.86/hour = \$509
- Grade 15: 30 hours at \$61.76/hour = \$1,853

Estimated Federal cost = \$7,527

15. Explain the reasons for any program changes or adjustments to #16f of the IC Data Part 1 Form.

This is a new collection related to a new program.

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.

Some of the information collected in this grant application may be analyzed with performance data and shared on a government website such as recovery.gov or ed.gov.

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 the Certification of Paperwork Reduction Act.

The Department is not requesting any exception to the Certification.