

SUPPORTING STATEMENT

FOR PAPERWORK REDUCTION ACT SUBMISSION

APPLICATION FOR GRANTS UNDER THE STRENGTHENING INSTITUTIONS PROGRAM (CFDA #084.031A)

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.

Collection of information is necessary in order for the Secretary of Education to award grants under the Strengthening Institutions Program (SIP), authorized under Title III, Part A of the Higher Education Act of 1965 (HEA), as amended by the Higher Education Opportunity Act of 2008 (HEOA), Pub.L. 110-315.

SIP awards discretionary grants to eligible institutions of higher education so that they might increase their self-sufficiency by improving academic programs, institutional management, and fiscal stability.

The former Title III, Part A multi-application package was allowed to lapse in order to separate our programs, and to simplify the application process and program competitions. The American Indian Tribally Controlled Colleges and Universities Program (TCCU), and the Alaska Native-Serving Institutions and Native Hawaiian-Serving Institutions Program (ANNH) have been deleted from the SIP application. The HEOA changed how funds are allocated in the TCCU Program. Funds are allocated according to a formula. This eliminates the need for an application. The ANNH Program application is being cleared as an individual application. The HEOA modified the authorized grant activities under SIP.

Information is collected for the SIP Program under authority of Part F, General Provisions, Section 391 of the program statute. The information collection of this discretionary grant application package falls under the Streamlining Plan OMB No. 1894-0001.

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.

This collection of information is gathered electronically by the Department for the purpose of obtaining programmatic and budgetary information needed to evaluate applications and to make funding decisions based on the authorizing statute and the published selection criteria.

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 Office of Postsecondary Education is committed to the reduction of paperwork and has been collecting this information electronically since 2000. Electronic submission has reduced the burden for both the applicants and Department staff.

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.

Since the information submitted in this application is unique to each respondent and to the authorization legislation, no duplication exists.

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.

This collection of information does not involve small businesses or other small entities.

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.

Because the data collected from each institution reports annual statistics unique to the applicant and these figures change annually, collection on a less frequent basis would not be beneficial to the applicants or in compliance with the regulations.

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 tht it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

There are no special circumstances as outlined in #7 of the instructions.

- 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.

Titles III and V staff will respond to any questions or comments resulting from the publication of the information collection in the *Federal Register* as required by 5 CFR 1320.8(d).

The Department has consulted with higher education associations including the Council for Resource Development regarding the revision of the application package to clarify the mandatory page limit requirements as well as simplify the instructions for submitting the application electronically.

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

The Department will not provide payments or gifts to respondents.

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

The Department's disclosure policies adhere to the provisions of the Privacy Act.

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.

Questions of a sensitive nature are not included in this information collection.

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 Department estimates the following average time for the completion of the application.

	INDIVIDUAL DEV. GRANTS	COOPERATIVE ARRANGEMENT DEV. GRANTS	TOTALS
Respondents	295	5	300
Frequency of Response	1	1	1
Burden Hour Per Respondent	40	45	

Total Annual Burden Hour	11,800	225	12,025
Estimated Costs to Respondents*	\$531,000	\$10,125	\$541,125

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 :
Total Annual Costs (O&M) :**

Total Annualized Costs Requested :

There are no additional annual costs to respondents other than that itemized in Item 12 above.

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.

14. Cost to the Federal Government	
A professional staff to develop and revise clearance package (GS-13 employee: 80 hrs. @ \$55.46 per hour).	\$4,437
Other Department staff to review and approve the request.	
GS-15 employee for final review and approval.	\$944
Estimated Total	\$5,381
Cost for Federally-supervised review of applications	
Readers (100 @ \$3,000)	\$300,000
Forms and Web site development costs for E-Reader Process.	\$5,000
Processing applications – staff. (8 staff x 56 hours x \$48 per hour = \$21,504) (Overhead cost: \$21,504 x 50 percent = \$10,752)	\$32,256
Contractor logistical support for workshops, application processing, field reading and slate preparation.	\$840,000
Staff time for conducting supervised review. (2 weeks x 2 control reviews, and 25 panel chairpersons) (30 staff x 120 hours = 3,600 hrs x \$48 per hour = \$172,800) (Overhead cost: \$172,800 x 50 percent = \$86,400)	\$259,200
Staff time to review and approve funding recommendation. (4 hours per grant award x 44 awards)	\$12,672

(44 awards x 4 hours per award x \$48 per hour = \$8,448) (Overhead cost: \$8,448 x 50 percent = \$ 4,224)	
Staff time to generate, approve, and issue grant awards. (6 hours per award x 44 awards = 264/8 = 33) (8 staff x \$48x 33 hours = \$12,672) (Overhead cost: \$12,672 x 50 percent = \$6,336)	\$19,008
Total Estimated Cost to Government (competition year)	\$1,473,517
Annual Monitoring Cost	
(10 hours per award x 44 awards = 440 /8 = 55 hours per person) (8 staff x \$48 = 384 x 55 hours = \$21,120)	\$21,120
Overhead cost: (\$21,168 x 50 percent = \$10,584)	\$10,584
Total Estimated Cost to Government	\$31,704
Total Annual Government Estimated Cost	\$1,505,221

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

When this information collection was previously active it contained four programs, but now only includes SIP. Our previously estimated number of respondents for the four Programs was too low; in fact we received 266 applications for SIP alone. A total of 435 institutions of higher education (IHEs) applied for basic eligibility this year, the prerequisite for IHEs to apply for new SIP grant funds. Based on this information, we're anticipating 300 SIP applicants.

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.

There are no plans to publish the results. The information collected will be used for internal purposes only.

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.

There is no request to omit the OMB expiration date.

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.