

SUPPORTING STATEMENT
Nurse Faculty Loan Program (NFLP) - Annual Operating Report (AOR) Form

A. JUSTIFICATION

1. Circumstances of Information Collection

The Health Resources and Services Administration (HRSA) is requesting the Office of Management and Budget (OMB) approval of the Nurse Faculty Loan Program (NFLP) Annual Operating Report (AOR) Form (OMB#0915-0314) which currently expires on December 31, 2010. The NFLP-AOR form will be used to collect NFLP loan fund activity data from grantee schools receiving Federal funding to administer the NFLP. The NFLP-AOR form will be used to monitor performance and to determine future funding to grantees. There have been a few revisions to the form since it was last approved. These revisions are described below and do not affect the annual estimated burden.

Legislative Purpose

The HRSA estimates that by 2020, the demand for nurses will exceed the supply by 1,016,900 million to meet the health care needs of our society (HRSA, *What is Behind HRSA's Projected Supply, Demand, and Shortage of Registered Nurses?*, 2006). The inability of schools of nursing to recruit and retain qualified nursing faculty has directly impacted the nursing shortage in the U.S. Without enough educators, nursing programs are forced to turn away qualified and interested candidates. In effect, a serious lack of institutional faculty capacity is limiting how many new nurses will emerge from the pipeline.

The Nurse Faculty Loan Program (NFLP) is authorized under the Public Health Service Act, Title VIII, Section 846A, as amended by Public Law 111-148, to increase the number of qualified nursing faculty. The Secretary of HHS, acting through the Administrator of the Health Resources and Services Administration (HRSA), makes an award to the School of Nursing to establish a distinct account for the NFLP fund. The school makes loans to students enrolled full-time or part-time in eligible advanced degree nursing programs with an education component that will prepare them to teach. Following graduation from the nursing education program, loan recipients may cancel up to 85 percent of the loan in exchange for service as full-time nurse faculty at a school of nursing. Applications to this program were first accepted for the 2003-2004 academic year. In fiscal year 2010, the NFLP appropriation was \$25 million. Funding for this program is expected to continue under future appropriations.

Under the NFLP, HHS makes an award to the institution in the form of a Federal Capital Contribution (FCC). The institution uses the FCC to establish and operate a distinct account called the NFLP loan fund. The School must contribute an Institutional Capital Contribution (ICC) in the NFLP fund equal to at least one-ninth (minimum) of the FCC award. The School has the option of contributing a larger share to the NFLP loan fund. The NFLP fund may only be used: (1) for the deposit of the FCC and ICC; (2) to make loans to continuing

and new NFLP student borrowers enrolled full-time or part-time in a master's or doctoral nursing degree program; (3) for the deposit of collections of principal & interest on loans made from the NFLP fund and any other earnings of the fund; and (4) for the cost of collection of NFLP loans.

2. Purpose and Use of Information

The NFLP-AOR is used to monitor and evaluate institutional performance. The NFLP-AOR is the official reporting tool and is required by active NFLP grantee schools that operate the NFLP loan fund. The grantee must complete and submit the electronic NFLP-AOR annually for the one-year project period beginning July 1st through June 30th of each year to provide the Federal Government with information to determine the effectiveness of the program. The deadline date for submission of the report is August 15th each year. The data is needed to analyze the grantee's annual performance and to compile program data for fiscal reporting.

The NFLP-AOR performance report form captures the NFLP loan fund cash receipts and loan fund disbursements for the specified reporting period. Participating NFLP grantees must complete and submit an electronic copy of the NFLP-AOR annually to report current and cumulative information on: (1) the number and amount of loans made, (2) the number of NFLP recipients and graduates, (3) number and amount of loans cancelled, (4) the number and amount of loans in repayment or collection, 5) the number of NFLP graduates employed as nurse faculty, (6) NFLP loan fund receipts, disbursements, and related costs, and (7) the loan fund balance each year. The NFLP-AOR is also used to report the borrower account status under multiple categories (enrollment, graduation, employment, cancellation, repayment, default, forbearance, etc). Schools are expected to review the cash balance in the NFLP fund on at least a semi-annual basis to determine whether the unused accumulation (loan fund balance), compared with projected levels of expenditures and collections, exceeds its needs. The unused accumulation reported each year on the NFLP-AOR is used as part of the fiscal year award determination based upon funds committed for continuing NFLP recipients and support for projected new NFLP recipients.

The additional data that will be collected from applicants include information on the total number of enrollees, graduates, and graduates employed as nurse faculty by, (1) Age and Gender, (2) Nursing Programs, (3) Nursing Degrees. The new tables have been highlighted in the attached NFLP-AOR form.

In FY 2010, under the Patient Protection and Affordable Care Act (ACA) of 2010, Public Law 111-148, Title VIII, section 846A was amended to add Section 847(f) following 846A to include a funding priority awarded to schools of nursing that support doctoral nursing students. Additional data collection is required to award the funding priority and to monitor the number doctoral nursing doctoral student supported.

Data collection requirements in a manner that takes into account age, sex, race, and ethnicity has been established by the Bureau of Health Professions for Title VIII grant programs.

3. Use of Improved Information Technology

The electronic (online) NFLP-AOR performance report form was fully developed and implemented as part of the existing HRSA Electronic Handbooks (EHBs) in fiscal year 2009. NFLP grantees are required to access the online performance report through the EHBs to submit annually. The NFLP-AOR is accessible to registered EHB users via the internet at <https://grants.hrsa.gov/webExternal/home.asp>.

4. Efforts to Identify Duplication

The information requested in the electronic NFLP-AOR performance report form is specific to the grantee institution and is unique to this program. The information requested is not available from any other source.

5. Involvement of Small Entities

The data collection does not involve small businesses or other small entities.

6. Consequences if Information is Collected Less Frequently

The process for submitting the NFLP-AOR performance report occurs annually, following completion of the grantee's project period. In the absence of collecting this data, the determination for future funding and analysis of the grantee's performance cannot be carried out.

7. Consistency with the Guidelines in 5 CFR 1320.5(d)(2)

This information collection fully complies with 5 CFR 1320.5(d)(2).

8. Consultation Outside the Agency

The notice required by 5 CFR 1320.8(d) was published in the *Federal Register* on November 24, 2010 (Vol. 75, No. 226, pages 71707). Consultation outside of the agency was conducted with the organization and institutions listed below. No comments were received.

Carrie Steere-Salazar
University of California, San Francisco
Phone: (415) 502-8296
Fax: (415) 476-6652
Email: carrie.steere-salazar@ucsf.edu

Sharon Cameron
Campus Partners
Audit and Compliance Specialist
Phone: (800) 458-4492 X2060
Email: scameron@campuspartners.com
Ronald Somervell
Marymount University

Phone: (703) 526-6941 Ext: 6941
Fax: (703) 284-1650
Email: ronald.somervell@marymount.edu

Terry Fulmer
New York University
Phone: (212) 998-5303
Fax: (212) 995-3143
Email: con.research@nyu.edu

9. Remuneration of Respondents

Respondents will not receive any remuneration.

10. Assurance of Confidentiality

The Privacy Act of 1974 (5 U.S.C. 522a) requires any agency to Provide notification to individuals who supply information. The Privacy Act Notification Statement is provided to all NFLP grantees. This statement provides the statutory authority for collecting the information, and describes the purpose of the information collection and the potential disclosure.

11. Questions of a Sensitive Nature

The data collection does not request sensitive information from the applicant.

12. Estimates of Annualized Hour Burden

Estimates of respondent burden are as follows:

FORM	NUMBER OF RESPONDENTS	RESPONSES PER RESPONDENT	TOTAL RESPONSES	HOURS PER RESPONSES	TOTAL BURDEN HOURS
Nurse Faculty Loan Program Annual Operating Report (AOR)	150	1	150	8 hours	1200 hours
Total Burden	150	1	150	8 hours	1200 hours

13. Estimates of Annualized Cost Burden to Respondents

There are no annualized costs for the respondents.

14. Estimates of Annualized Cost to the Government

The detailed review of the data collection is estimated at 15 minutes at an hourly rate of \$30. (Processing the AOR forms: 150 participant schools x 0.30 hour x \$30/hour = \$1,350)

15. Changes in Burden

The new (additional) data collection will not result in a change in burden. The current online/electronic NFLP_AOR format will be modified to allow the grantee to select multiple criteria, rather than the existing single criteria for each data element. The grantee already maintains the data requested.

16. Time Schedule, Publication, and Analysis Plan

Clearance is being requested for the maximum allowable time of 3 years. The deadline for submission of the NFLP-AOR performance report is expected by August 15, 2011. The information will be used for determination of future awards to grantees and for analysis of program activity.

17. Exemption for Display of Expiration Date

The expiration date will be displayed. No exemption is being requested.

18. Certifications

This information fully complies with the guidelines set forth in 5 CFR 1320.9.

B. STATISICAL METHODS

Not applicable.