

Supporting Statement
**Information Collection for the Teacher Education Assistance for College and
Higher Education (TEACH) Grant Program**
TEACH Grant Agreement to Serve (OMB No. 1845-0083)

A. Justification

1. Necessity of Information Collection

The College Cost Reduction and Access Act (Public Law 110-84) (the CCRAA) established the Teacher Education Assistance for College and Higher Education (TEACH) Grant Program under Part A of the Higher Education Act of 1965, as amended (the HEA). The TEACH Grant Program provides grants of up to \$4,000 per year to undergraduate and graduate students who are completing, or who intend to complete, coursework necessary to begin a career in teaching. In exchange for receiving a TEACH Grant, a student must agree to serve for at least four years as a full-time, highly-qualified teacher in a low-income school, in a high-need subject area. If the grant recipient does not complete the required teaching service within eight years of completing the program for which a TEACH Grant was received, or otherwise does not meet the requirements of the TEACH Grant Program, all TEACH Grant funds that were awarded will be converted to a Federal Direct Unsubsidized Stafford/Ford Loan (Direct Unsubsidized Loan) that the grant recipient must repay in full to the U.S. Department of Education (the Department), with interest that has accrued from the date of each TEACH Grant disbursement.

The CCRAA provides that the effective date for the TEACH Grant Program is July 1, 2008. The Department issued a notice of proposed rulemaking (NPRM) to establish regulations for the TEACH Grant Program on March 21, 2008 (73 FR 15336). Final regulations for the TEACH Grant Program were published in the Federal Register on June 23, 2008.

The Agreement to Serve (Agreement) included with this submission is required by Section 420N(b) of the HEA. Section 420N(b) requires an applicant for a TEACH Grant to complete an agreement stating that the applicant will meet the teaching service requirements of the TEACH Grant Program, and that if the applicant does not complete the required teaching service or otherwise does not comply with the terms of the TEACH Grant Program, the applicant will repay the full amount of all TEACH Grant funds received as a Direct Unsubsidized Loan.

A justification for the data elements included on the Agreement is provided at the end of this supporting statement.

In response to a previous request from the Department, the Office of Management and Budget (OMB) granted an emergency approval of the TEACH Grant Agreement on May 15, 2008 so that the Department would have sufficient time to implement the Agreement and complete necessary systems testing by the July 1, 2008 effective date for the TEACH Grant Program. On June 16, 2008, OMB approved revisions to the text of the Agreement to reflect a change in the terms and conditions of TEACH Grants that was to be made in

the TEACH Grant final regulations. The approval of the TEACH Grant Agreement that was cleared through the emergency process expires on November 30, 2008.

The Department is now submitting the TEACH Grant Agreement for approval under the regular clearance process.

2. Purpose and Use of Information Collected

A TEACH Grant applicant must complete an Agreement each award year before he or she receives a TEACH Grant. The Department will use the information collected on the Agreement to process TEACH Grant awards, and to service any TEACH Grants that are later converted to Direct Unsubsidized Loans. The Agreement also informs a TEACH Grant applicant of the requirements of the TEACH Grant Program and serves as the applicant's legally binding agreement to meet those requirements and to repay any TEACH Grants received as a Direct Unsubsidized Loan if the applicant does not meet the TEACH Grant Program requirements.

3. Consideration of Improved Information Technology

The Department will make maximum use of available information technology to process TEACH Grants. Institutions will electronically receive data provided by the student on the Free Application for Federal Student Aid (FAFSA) and create TEACH Grant award records based on the FAFSA data and additional data provided by the institution. Most of the information requested in Sections A and B of the Agreement will be prepopulated, reducing burden on TEACH Grant applicants.

TEACH Grant applicants will complete the Agreement through an entirely electronic process on a web site maintained and operated by the Department, using a personal identification number (PIN) provided by the Department. The process will be modeled on the electronic process that is already in place for completing the Master Promissory Note for Direct Subsidized Loans and Direct Unsubsidized Loans. The institution that a TEACH Grant applicant is attending will be notified electronically when the applicant has completed an Agreement. After completing and submitting an Agreement, a TEACH Grant applicant may download and print a copy of the completed Agreement for his or her records. The Department will store the completed electronic Agreement as the authoritative copy of the Agreement.

The Agreement may only be completed electronically. A paper version will not be offered.

4. Efforts to Identify Duplication

Except as explained in Item 3, above, there is no information available from other sources that can be used for the purposes described in Item 2.

5. Burden Minimization as Applied to Small Businesses

No small businesses are affected by this information collection.

6. Consequences of Less Frequent Data Collection

A TEACH Grant applicant must complete a separate Agreement for each award year that he or she receives a TEACH Grant. If an applicant did not complete an Agreement, he or she could not receive a TEACH Grant.

7. Special Circumstances Governing Data Collection

This information collection does not involve any of the conditions listed in 5 CFR 1320.5(d)(2).

8. Consultations Outside the Agency

The Agreement reflects the terms and conditions of the TEACH Grant Program as set forth in the March 21, 2008 NPRM, which was developed under a negotiated rulemaking process, and also incorporates changes to the terms and conditions of the TEACH Grant Program that were made in the final regulations based on public comments received in response to the NPRM.

A notice was published in the Federal Register on June 30, 2008 (73 FR 36847) inviting the public to submit comments on the Agreement to the Department. No comments were received in response to this notice. However, the Department has revised the version of the Agreement that was posted for the initial 60-day public comment period by making a number of minor changes to clarify language and to incorporate certain amendments to the terms and conditions of Direct Unsubsidized Loans that were made by the Higher Education Opportunity Act of 2008.

9. Payments or Gifts to Respondents

No payments or gifts will be provided to respondents.

10. Assurance of Confidentiality

The Agreement includes a Privacy Act Notice that (1) informs the applicant of the statutory authority for the information collection, (2) explains that disclosure of the information is voluntary, but is required in order to determine the applicant's eligibility to receive a TEACH Grant, and (3) identifies the third parties to whom the information may be disclosed, and explains the circumstances under which such disclosures may occur.

11. Questions of a Sensitive Nature

The Agreement does not require a borrower to provide any information that would be considered sensitive.

12. Annual Hour Burden for Respondents/Recordkeepers

The Department estimates the total annual number of respondents for this information collection (for the initial year of the TEACH Grant Program) to be 55,800. The estimated time required to complete an Agreement is 0.5 hours (30 minutes). Based on one response per respondent, this equates to a total estimated annual reporting burden of 27,900 hours.

Because TEACH Grant respondents may only complete the Agreement electronically, the only cost burden to respondents associated with this collection would be minimal costs imposed by Internet providers for Internet access.

13. Annual Cost Burden to Respondents

There are no annual capital/startup costs to respondents, nor are there any annual costs to respondents associated with operating or maintaining systems or purchasing services.

14. Estimated Annual Cost to the Federal Government

The total estimated annual cost to the Federal government for this information collection is \$800,000.00.

15. Reasons for Program Changes/Adjustments Reported in Items 13 or 14 of OMB Form 83-I.

The Department is not reporting any changes or adjustments. This is a new collection.

16. Collection of Information with Published Results

The results of this information collection will not be published.

17. Approval Not to Display Expiration Date

The Department is not seeking this approval.

18. Exceptions to the Certification Statement

The Department is not requesting any exceptions to the “Certification for Paperwork Reduction Act Submissions” of OMB Form 83-I.

B. Collection of Information Employing Statistical Methods

This information collection does not employ statistical methods.

Justification of Data Elements TEACH Grant Program Agreement to Serve	
<u>Data Element</u>	<u>Justification</u>
Section A: TEACH Grant Recipient Information	
Driver’s License State and Number	Used for record identification and for loan servicing/collection if a TEACH Grant is converted to a Direct Unsubsidized Loan.
Social Security Number	Used for record identification and for determining eligibility for a TEACH Grant.
E-mail Address (optional)	Used to contact the student in connection with monitoring compliance with the TEACH Grant service obligation, or in connection with servicing/collection of a TEACH Grant that is converted to a Direct Unsubsidized Loan.
Name and Address	Used for record identification and for servicing/collection.
Date of Birth	Used for record identification.
Area Code/Telephone Number	Used to contact the student in connection with monitoring compliance with the TEACH Grant service obligation, or in connection with servicing/collection of a TEACH Grant that is converted to a Direct Unsubsidized Loan.
References	Used for loan servicing/collection if a TEACH Grant is converted to a Direct Unsubsidized Loan.
Section B: Institutional Information	
Institution Name and Address	Used for record identification.
Institution Code/Branch	Used for record identification.
Identification Number.	Used for record identification.
Section F: Grant Recipient’s Agreement to Serve, Promise to Repay for Failure to Meet Service Obligation, and Authorizations	
7. TEACH Grant Recipient’s Signature	Used to document the student’s agreement to comply with the terms and conditions of the TEACH Grant Program.
8. Today’s Date	Used to document the date the student signs the Agreement to Serve.