2011-12 NATIONAL POSTSECONDARY STUDENT AID STUDY (NPSAS:12)

Full-scale Supporting Statement Part A Request for OMB Review

Submitted by National Center for Education Statistics U.S. Department of Education

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2011-12 National Postsecondary Student Aid Study (NPSAS:12)

A. Justification

1. Circumstances Making Collection of Information Necessary

a. Purpose of this Submission

This document supports the clearance of selected materials and procedures for full scale institution contacting, enrollment list collection, list sampling, and student contacting under the Paperwork Reduction Act of 1995 and 5 CFR 1320, as amended, for the 2011-12 National Postsecondary Student Aid Study (NPSAS:12). A separate request for review pertaining to student record data collection, the student interview, and post-data collection administrative record matching will be submitted in September 2011. This study is being conducted by RTI International and its primary subcontractor MPR Associates under contract to the U.S. Department of Education's (ED's) National Center for Education Statistics (NCES) (Contract Number ED-IES-09-C-0039). Other subcontractors include Branch Associates, Kforce Government Solutions, Inc. (KGS), Research Support Services, Millennium Services 2000+, Inc., and consultants Dr. Cynthia Decker and Ms. Andrea Sykes.

Office of Management and Budget (OMB) forms clearance (No. 1850-0666) was received in May 2010 for the field test institution contacting, enrollment list, and sampling components of NPSAS:12. This submission includes a memorandum summarizing planned changes to the full-scale data collection as they relate to what was previously approved under this package for the field test. There are minimal changes between the field test and the full-scale implementation, therefore we utilizing the approved 60-day Federal Register Notice waiver for the full-scale data clearance package.

NPSAS:12 is a nationally representative study of how students and their families finance education beyond high school. NPSAS was first implemented by NCES during the 1986–87 academic year to meet the need for national-level data about significant financial aid issues. Since 1987, NPSAS has been fielded every 3 to 4 years, most recently during the 2007–08 academic year. This submission is for the eighth cycle in the series that will be conducted during the 2011–12 academic year. NPSAS:12 also will serve as the base year for the Beginning Postsecondary Students Longitudinal Study (BPS), a study of first-time beginners (FTB's) in postsecondary education that will focus on issues of persistence, degree attainment, and employment outcomes.

Studies related to or based on data from NPSAS or its longitudinal spin-offs are listed in appendix A. Appendix B lists the study's Technical Review Panel (TRP). A sample of the Confidentiality Agreement and Affidavit of Nondisclosure completed by all project staff having access to individually identifiable data are provided in appendix C. Introductory letters and other materials used when contacting institutions and students selected for participation in the NPSAS study are found in appendix D. Appendix E presents the script used by institution contactors to verify eligibility and confirm contact information with sampled institutions. A list of endorsing institutions and associations supporting NPSAS:12 is provided in appendix F.

¹ RTI International is a trade name of Research Triangle Institute.

NPSAS:12 FULL-SCALE SUPPORTING STATEMENT REQUEST FOR OMB REVIEW

b. Legislative Authorization

NPSAS:12 is conducted by NCES within the Institute of Education Sciences (IES) in close consultation with other offices and organizations within and outside the U.S. Department of Education (ED). NPSAS is authorized under the Higher Education Opportunity Act of 2008, 20 U.S.C. § 1015 (k):

(k) Student aid recipient survey

(1) Survey required

The Secretary, acting through the Commissioner for Education Statistics, shall conduct, on a State-by-State basis, a survey of recipients of Federal student financial aid under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42—

- (A) to identify the population of students receiving such Federal student financial aid;
- (B) to describe the income distribution and other socioeconomic characteristics of recipients of such Federal student financial aid;
- (C) to describe the combinations of aid from Federal, State, and private sources received by such recipients from all income categories;
- (D) to describe the—
 - (i) debt burden of such loan recipients, and their capacity to repay their education debts; and
 - (ii) the impact of such debt burden on the recipients' course of study and post-graduation plans;
- (E) to describe the impact of the cost of attendance of postsecondary education in the determination by students of what institution of higher education to attend; and
- (F) to describe how the costs of textbooks and other instructional materials affect the costs of postsecondary education for students.

(2) Frequency

The survey shall be conducted on a regular cycle and not less often than once every four years.

(3) Survey design

The survey shall be representative of students from all types of institutions, including full-time and part-time students, undergraduate, graduate, and professional students, and current and former students.

(4) Dissemination

The Commissioner for Education Statistics shall disseminate to the public, in printed and electronic form, the information resulting from the survey.

c. Prior NPSAS Studies

As noted above, NPSAS:12 will be the eighth NPSAS in a series dating back to 1986–87. The first in the series, the 1987 National Postsecondary Student Aid Study (NPSAS:87), based on a sample of students enrolled in the fall term of 1986, is not completely comparable to later studies. Beginning in 1989–90, NPSAS surveys sampled students enrolled at any time during a full academic year, so that students enrolled only during the summer or spring terms, as well as those who began at any time in institutions (primarily vocational) not on a traditional calendar system, were included. Additional detailed information about each of the prior NPSAS studies and related longitudinal studies conducted by NCES can be found at http://nces.ed.gov/surveys/npsas/.

Since the inception of NPSAS, the data collection techniques and sources used for these studies have improved and expanded over time. NPSAS:90 was based on institution data transcribed on paper forms, computer-assisted telephone interviews (CATIs), and only one external data source, the Pell Grant payment file. NPSAS:93 introduced the computer-assisted data entry (CADE) system, allowing institutions to enter data from student records directly into electronic files. This facilitated matching student records to federal student loan and the Pell Grant files. NPSAS:96 made more use of electronic data files to supplement the survey information from CADE and CATI. In addition to the Pell Grant files, student records were matched with the electronic Institutional Student Information Records (ISIR) of the Central Processing System (CPS) for federal financial aid applications, the federal student loan history records of the National Student Loan Data System (NSLDS), and the files of the College Board and ACT for student test scores on the SAT and ACT tests. NPSAS:04 introduced a web-based student interview that allowed both self-administration and interviewer-administration via CATI. This multi-mode approach to data collection has increased flexibility and convenience for study participants and reduced burden. NPSAS:04 also saw more institutions submitting student-level data electronically for entire school systems, which reduced the burden for individual campuses and increased the efficiency of data submission. NPSAS:08 continued the multi-mode data collection approach and added the National Student Clearinghouse (NSC) as an administrative data source.

NPSAS is the only periodic, nationally representative survey of student financial aid. There is no other single national database containing student level records for students receiving aid from all of the numerous and disparate programs funded by the federal government, the states, postsecondary institutions, employers, and private organizations. NPSAS:12 data will allow for the continued evaluation of trends regarding financial aid and postsecondary enrollment. This information is critical to the development of government policy regarding higher education. The NPSAS studies reflect the changes made in government guidelines for financial aid eligibility and availability, and provide a good measure of the effect of those changes.

The NPSAS studies also inform policymakers what is working and what needs changing in the future. A central focus of all of the NPSAS studies is the effect of the federal financial aid programs. Major changes in federal financial aid policy are usually made every 5 to 6 years through Reauthorization of the Higher Education Act (HEA), the legislation establishing the basic rules for the federal grant, loan, and work-study programs, including eligibility criteria and need analysis requirements. The federal financial aid described in the NPSAS:90 and NPSAS:93 studies was awarded under the policies set in the 1986 Reauthorization of HEA. The

Reauthorization of 1992 made many substantial changes. It established a single need analysis formula for Pell Grants and the other need-based federal programs, eliminated home equity from consideration in need analysis, created an unsubsidized student loan program for dependent students which has no need requirements, and increased borrowing limits in the federal loan programs. The results of the NPSAS:96 survey reflected these changes. For example, the proportion of middle-income students with federal loans increased substantially at four-year colleges, and annual student loan and cumulative debt amounts increased at all income levels and at all types of institutions.

NPSAS:2000 and NPSAS:04 reflected the Reauthorization of 1998 legislation, which made relatively few changes in the federal financial aid programs. The changes to need analysis were minor. The student income protection allowance increased somewhat, requiring a smaller contribution from prior year earnings. The Pell Grant maximum was increased and student loan amount limits were kept at the same levels that had been in effect since 1993, although interest rates were lower. Since the basic financial aid programs and policies had not changed since NPSAS:96, the results of the NPSAS:2000 and NPSAS:04 surveys created a clearer picture of the underlying trends in the effect tuition increases had on various categories of students.

NPSAS:04 was innovative in a number of ways. The sample size was substantially increased to yield about 90,000 respondents (compared with 60,000 in NPSAS:2000). For the first time, the NPSAS sample was designed to provide representative state-level estimates of undergraduates in 12 selected states, which has provided data for comparisons of differences in college prices and financial aid programs among states. As noted above, in addition to the usual telephone interviews, for the first time the NPSAS:04 student interview was offered as a self-administered web survey. Also for the first time, the NPSAS survey data was used to estimate the average amounts of the federal education tax benefits (Hope, Lifetime Learning, and Tuition and Fees Deductions) and their distribution among students. Nearly one-half of all undergraduates were found to benefit from one of these federal tax reductions.

NPSAS:08 had an even further expanded sample size of more than 130,000 students and included state-representative undergraduate samples for four degree-granting institutional sectors in 6 states: California, Georgia, Illinois, Minnesota, New York, and Texas. It reflected the legislative changes of the Higher Education Reconciliation Act of 2005 which increased Stafford loan limits, expanded PLUS loans to graduate students and added the ACG and SMART grant programs. NPSAS:08 contained a representative sample of likely grant recipients to study the impact of these new Federal grants. For the first time the sample weights in NPSAS:08 were adjusted to the sum of net Stafford loan disbursements instead of gross loan commitments. This proved to provide a more accurate estimate of Stafford borrowing but required that all previous surveys based on gross Stafford loan commitments, NPSAS:96, NPSAS:00, and NPSAS:04, also have their weights revised to net disbursements so they would be comparable. In addition to documenting the continuing increases in college prices, these surveys showed the parallel increases in grant awards and student loan borrowing. In 2007–08, some 80 percent of all fulltime undergraduates were receiving financial aid, and the average amount received was \$12,700. The percentage of full-time undergraduates receiving grant aid (64 percent) continued to be greater than the percentage with student loans (53 percent) in 2007–08.

d. Prior and Related Studies

Two longitudinal studies conducted as part of the Postsecondary Sample Survey program within the Postsecondary, Adult, and Career Education (PACE) division of NCES were designed to address a variety of issues regarding higher education. Based on samples of students attending postsecondary education in a particular year regardless of age, each of these studies incorporates base year data from the cross-sectional NPSAS and extends it through longitudinal follow-up components focusing on first-time students and on recent college graduates in alternate NPSAS survey years: the Beginning Postsecondary Students Longitudinal Study (BPS) and Baccalaureate and Beyond (B&B). The chronology of the previous administrations of the NPSAS study and its associated longitudinal components is presented in table 1.

Table 1. Chronology of NPSAS and its longitudinal components

Base year	First follow-up	Second follow-up	Third follow-up
NPSAS:90	BPS:90/92	BPS:90/94	<u> </u>
NPSAS:93	B&B:93/94	B&B:93/97	B&B:93/03
NPSAS:96	BPS:96/98	BPS:96/01	_
NPSAS:2000	B&B:2000/01		_
NPSAS:04	BPS:04/06	BPS:04/09	BPS:04/11
NPSAS:08	B&B:08/09	B&B:08/12	_
NPSAS:12	BPS:12/14	BPS:12/17	BPS:12/19 ¹

Not applicable.

The six major issues addressed in these PACE studies are:

- 1. undergraduate access/choice of institution;
- 2. persistence;
- 3. progress/curriculum;
- 4. attainment/outcome assessment;
- 5. access to graduate programs; and
- 6. benefits of postsecondary education to individuals and society.

Specific studies that explore some of these issues and have been based on previous NPSAS, BPS, or B&B data are listed in appendix A for reference.

e. Study Design for NPSAS:12

Data for NPSAS:12 will be collected from both postsecondary institutions and students. The target population includes all students enrolled in Title IV eligible institutions in a specific academic year (2010–11 for the field test and 2011–12 for the full-scale study). A stratified sample of students within a sample of institutions will be selected.

¹ Tentative; the contract option that would carry out this work has not yet been exercised by NCES. NOTE: BPS = Beginning Postsecondary Students; B&B = Baccalaureate and Beyond.

Institutions will be asked to provide information from student financial aid records and other institutional sources. Much of the required student financial aid data contained in institutional records is also available in the CPS, which houses and processes data contained in the Free Application for Federal Student Aid (FAFSA) forms; these data will be obtained through file matching/downloading with this system to reduce the data collection burden on sampled institutions. As in NPSAS:08, institutions will be asked to verify institutional characteristics and financial aid program participation and to provide enrollment lists for sampling purposes. Data from students will be collected via their choice of a survey completed via the Internet or through web-based CATI.

Additional data for the NPSAS:12 student sample will be obtained from a variety of administrative data sources. In addition to the CPS, these include queries of the NSLDS, the NSC, and vendors of national undergraduate, graduate, and professional student admission tests, including the ACT and SAT.

2. Purposes and Uses of the Data

This section provides information on the purposes of NPSAS and an overview of the primary research issues it addresses.

a. NPSAS:12 Purposes

The fundamental purpose of NPSAS is to create a research data set that brings together information about a variety of programs for a large sample of undergraduate and graduate students. NPSAS provides the data for comprehensive descriptions of the undergraduate and graduate student populations in terms of their demographic characteristics, academic programs, types of institutions attended, attendance patterns, and employment. Demographic and enrollment data establish the appropriate context that allows researchers and policy analysts to address basic issues about postsecondary affordability and the recipients of the student assistance. These results are published in four statistical briefs with accompanying web tables: a profile of undergraduates, a report on undergraduate financing, a profile of graduate students, and a report on the financing of graduate studies. The financing reports describe the "sticker" price, the net price after grant aid, and the "out-of-pocket" price (reduced by both grant and loan aid).

A second purpose of NPSAS is to gather base-year data on a subset of students who become the sample for a longitudinal study. NPSAS:12 will establish the base year cohort for a Beginning Postsecondary Student study of college freshmen with a follow-up survey 3 years later (BPS:12/14) and another follow-up in 2017 (the option to extend BPS to the end of students' eighth year, 2019, has not yet been exercised by NCES). A section of the student interview will capture information about student knowledge, experiences, and perceptions of the costs and benefits of education to support analysis of student choices related to major, persistence, and completion.

A third purpose of NPSAS – new in 2012 – is to provide a nationally representative sample that can be used to rigorously address fundamental research questions through experimental research methodologies. NCES plans to expand the use of NPSAS through collaboration with the National Center for Education Research (NCER). NPSAS provides a rich source of data that could potentially be used to support experimental research funded by NCER. Interested researchers were asked to submit a proposal that detailed their experimental design

and analysis plans. Upon grant review and approval by NCER, RTI will conduct any needed data collection and/or file-matching activities and deliver a restricted data file to NCES to provide to the grantee for analysis. Applicants will be notified of whether they received a grant in July 2011. Each grantee will be expected to submit an OMB package.

b. NPSAS:12 Research and Policy Issues

Many of the important questions that NPSAS: 2012 aims to address are the same as in past years. Price increases, net price levels, and increases in student loan debt will continue to be central issues. The NPSAS:12 data will be used to address policy issues relating to the changes in federal financial aid programs resulting from the College Cost Reduction and Access Act of 2007 (CCRAA), the Higher Education Opportunity Act of 2008 (HEOA), and the Student Loan and Fiscal Responsibility Act of 2009 (SAFRA). These legislative changes included increases to the Pell maximum award, reductions in the interest rate for subsidized Stafford loans, more consumer transparency on college tuition, lender disclosures about loan terms, and direct federal lending.

Some of the primary research and policy issues to be addressed through the use of NPSAS:12 data will likely be:

(1) Student demographics;

- What is the distribution of student enrollment among types of institutions by gender, race/ethnicity, age, dependency, and income?
- What types of institutions are serving the largest proportions of low-income, non-traditional, and ethnic minority students?
- What proportion of undergraduates are first generation college students, and what types of institutions are they attending?
- What proportion of students are immigrants or children of immigrants, and what types of institutions are they attending?
- How much are students with disabilities participating in postsecondary education?
- What proportion of students enrolled in postsecondary education are veterans and what types of institutions do they attend?

(2) Academic preparation and programs;

- What proportion of undergraduates enrolls in college courses while still in high school?
- What proportion of college students have taken remedial courses?
- What types of students are enrolled in vocational certificate, associate's, and bachelor's degree programs, and what are their fields of study?
- What is the extent of internet-based and other distance education, and what types of institutions and students are using it?
- What are students' primary purposes for enrolling in postsecondary education and their educational goals?

(3) Financial aid;

- What proportion of students have financial aid need and what is the average amount of need by income?
- What proportion of students receive Federal Pell grants and where do they attend college?
- What proportion of students are receiving aid from states, institutions, employers, and private sources, and what are the average amounts received?
- What proportion of students are receiving need-based or merit-based aid?
- How does the amount and type of aid vary by dependency and income level?
- What is the ratio of federal to non-federal aid at various types of institutions?
- What is the ratio of grants to loans at various types of institutions?
- What proportion of students receive veterans and other Department of Defense benefits?

(4) Price of attendance;

- What are the differences in the average tuition and total price of attendance by type of institution and among students by dependency, income, and full-time or part-time attendance status?
- What is the average net price of attendance (student budget minus financial aid) at various income levels at different types of institutions?

(5) Student borrowing;

- What are the differences in the percentage borrowing and the average amounts borrowed through the federal student loan programs by institution type, attendance status, class level, and income?
- What proportion of students borrow the maximum Stafford loan amounts?
- What is the difference in the proportion of students receiving subsidized or unsubsidized Stafford loans by dependency and income level?
- What is the relationship between the level of student debt and persistence in postsecondary education?
- What is the average cumulative debt of students by class level, especially among graduating college seniors?
- What proportion of students borrow private loans, in what amount, and how does this borrowing vary by institution type?

(6) Student employment;

- What proportion of students engage in paid work while enrolled and what are the average hours per week they work?
- What is the average amount earned from work while enrolled?

(7) Sources of funds:

 What types of financial support are dependent students receiving from their parents? - What is the estimated proportion of students who might benefit from the federal education tax benefits (such as the Hope and Lifelong Learning tax credits) based upon family income, tuition paid, and grant aid received?

Answers to these and other questions are vital if policymakers at the local, state, and national levels are to respond adequately to the changing environment of postsecondary education. As the publications listed in appendix A indicate, since inception, the NPSAS, BPS, and B&B series have resulted in numerous NCES publications addressing these issues. The data from these studies have also been used extensively to explore PACE program issues through the NCES Postsecondary Education Descriptive Analysis Report (PEDAR) series.

3. Use of Information Technology

To ensure the secure transmission of sensitive information on the student enrollment lists, we will provide the following options to institutions: (1) upload encrypted student enrollment list files to the project's secure website using a login ID and "strong" password provided by RTI, or (2) provide an appropriately encrypted list file via e-mail (RTI will provide guidelines on encryption and creating "strong" passwords).

We expect that very few, if any, institutions will ask to provide a paper list (in the NPSAS:08 full-scale study no institutions submitted a paper list). The data security plan will outline protocols for handling faxed materials that conform to data security requirements. The original file or paper list containing all students with Social Security numbers (SSNs) will be kept through data collection in order to resolve any issues with student identification that occur during data collection. These files will be deleted and lists shredded after data collection. RTI will ensure that the SSNs for non-selected students are securely discarded.

RTI will perform file merges with several existing data sources to collect data useful for locating students and identifying FTBs prior to initiation of student data collection. Through our experience providing data for many NCES postsecondary studies, we have gained considerable knowledge performing file merges with many existing sources of data, including Department of Education's CPS for Free Application for Federal Student Aid (FAFSA) data, NSLDS, and the NSC.

CPS. The merge with CPS (the FAFSA contractor data system) can occur at any time for any number of cases, provided that the case has an apparently valid SSN associated with it. RTI sends a file to CPS and receives in return a large data file containing all students who applied for federal aid. We have existing programs and procedures in place to prepare and submit files according to CPS standards. Similarly, we have already developed programs and procedures to receive and process data obtained from CPS.

For the NPSAS:12 full-scale, we will perform multiple merges with CPS for various purposes. The first merge with CPS will consist of potential first time beginning students on the enrollment lists in order to use the "grade level in college" field to properly sample the students. The second merge with CPS will occur on a flow basis as students are sampled and the purpose will be to obtain locating information for interviewing and a few other variables used to preload the student interview and student records applications in order to reduce burden on respondents and users.

NSLDS. Prior to student data collection RTI will conduct a file merge with the NSLDS The first file merge is conducted for potential first time beginning students on the enrollment

lists in order to obtain a prior loan/grant history indicator to be used for sampling purposes. New procedures were developed for matching with the NSLDS during the NPSAS:12 field test and now programs and processes are successfully in place for the full-scale study. The files are transmitted to and from NSLDS using the special secure software mentioned above for CPS (EdConnect). Files will be transmitted directly to and from RTI's ESN such that no identifying data are ever available or stored on the regular RTI private network. We have programs to create the files for both types of merges and also programs to read the data we receive. All matching processes are initiated by RTI staff providing a file with one record per sample member containing SSN, date of birth, and name.

NSC. RTI will use the NSC to obtain the *Student Tracker* data on institutions attended, enrollment dates, and degree completions. This file merge with the NSC will consist of targeted groups of potential first time beginning students from the enrollment lists for the purpose of identifying students with prior enrollment or degrees obtained so that they can be sampled appropriately. This new process was developed for the field test study and programs and procedures are in place to continue for the full-scale.

RTI will utilize the existing account and license agreement with the NSC which will enable sending and receiving of files securely over encrypted FTPS connections. The file containing sensitive student identifiers (name, date of birth, and Social Security number) will be encrypted using FIPS 140-2 validated encryption tools then submitted to the Clearinghouse using their secure FTP site. All files received by the Clearinghouse will be securely stored using FIPS 140-2 validated AES encryption, the US federal encryption standard. Matched files will be returned to RTI using the same secure FTP site and, as in the field test, files will be transmitted directly out of and into RTI's ESN.

4. Efforts to Identify Duplication

NCES has consulted with other federal offices, such as the ED's Office of Postsecondary Education, the Planning and Evaluation Service, the Congressional Budget Office (CBO), and the OMB. Consultations with non-federal associations such as the American Council on Education (ACE), the National Association of Independent Colleges and Universities (NAICU), and the National Association of Student Financial Aid Administrators (NASFAA) confirm that the data to be collected through NPSAS are not available from any other sources. These consultations provide methodological insights from the results of other financial aid investigations and assure that the data collected through NPSAS meet the needs of the federal government and other relevant organizations.

5. Method Used to Minimize Burden on Small Businesses

The burden associated with enrollment list collection is relatively minor for all institutions, including small businesses that may be contacted as part of NPSAS:12 (for-profit schools and other small public and private schools). NPSAS:12 is asking for a minimal set of variables on the enrollment lists. Institutions are offered alternative methods of providing requested data, including uploading to a secure website or emailing encrypted list files. We will attempt to minimize the intrusion and burden to such schools by working closely with a school-appointed coordinator before the data collection effort to identify the sources of information within the school and the format in which records are kept.

6. Frequency of Data Collection

This cycle of NPSAS will take place 4 years after the last data collection. The rationale for conducting NPSAS periodically is based on the historical need for information on financial aid programs. The large-scale and rapid changes in federal policy concerning postsecondary student aid necessitate frequent studies. Eligibility restrictions change, size of grant and loan amounts fluctuate, and the balance between various aid options changes dramatically. Since these changes affect students' ability to finance postsecondary education and the level of debt that students are accumulating, data collections every 3 to 5 years are necessary. A recurring study is essential to helping predict future costs for financial aid because loan programs create continued obligations for the federal government as long as the loans are being repaid.

Repeated surveys, such as NPSAS, are also necessary because of the dynamic nature of the postsecondary environment. For example, for-profit institutions have recently assumed a much more prominent role than was the case in years past. Changes in private-sector lending, increases in tuition and fees, and changes in federal student aid policies (such as the recent increase in maximum Pell Grant awards) further highlight the need for periodic data collections. Effects of these changes on federal policy and postsecondary education participation create an opportunity, as well as a need, for monitoring on a regular basis.

7. Special Circumstances of Data Collection

No special circumstances of data collection are anticipated.

8. Consultants Outside the Agency

Recognizing the significance of NPSAS data collection, several strategies have been incorporated into the project work plan that allow for the critical review and acquisition of comments relating to project activities, interim and final products, and projected and actual outcomes. These strategies include consultations with persons and organizations both internal and external to NCES, the U.S. Department of Education, and the federal government.

Previous NPSAS implementations have benefited from a technical review panel composed of staff from several offices in ED (the Office of Postsecondary Education [OPE] and the Office of Policy and Planning [OPP]) and representatives of OMB and CBO. Staff from these offices will also belong to the TRP for NPSAS:12. The membership of the TRP (see appendix B) represents a broad spectrum of the postsecondary and financial aid communities. The non-federal members serve as expert reviewers on the technical aspects of the study design, data collection procedures, and instrument design. The TRP will reviewed plans for the field test study design and key topics during their spring 2010 meeting, and will review plans for the full-scale study design during the next meeting, planned for August 2011. Subsequent to the TRP meeting, a separate request for OMB review related to student-level data collection activities (student interviews and student record collection from institutions) will be submitted (September 2011).

9. Provision of Payments or Gifts to Respondents

No payments or gifts to responding institutions will be given.

10. Assurance of Confidentiality

NCES assures participating individuals and institutions that any data collected under NPSAS and related programs shall be in total conformity with NCES's standards for protecting the confidentiality of identifiable information about individuals. The Education Sciences Reform Act (ESRA) of 2002 states that:

all collection, maintenance, use, and wide dissemination of data by the Institute, including each office, board, committee, and center of the Institute, shall conform with the requirements of section 552A of title 5, [United States Code, which protects the confidentiality rights of individual respondents with regard to the data collected, reported, and published under this title]. (20 U.S.C. § 9573(a) (2009))

RTI and its subcontractors will secure all data and protect the confidentiality of all participants in NPSAS. Data security and confidentiality protection procedures are in place to ensure that RTI complies with all privacy requirements, including:

- The Statement of Work of this contract;
- Privacy Act of 1974 5 U.S.C. § 552(a) (2010);
- The U.S. Department of Education Incident Handling Procedures (2010);
- The U.S. Department of Education General Handbook for Information Technology Security General Support Systems and Major Applications Inventory Procedures (March 2005);
- The U.S. Department of Education, ACS Directive OM: 5- 101, Contractor Employee Personnel Security Screenings.
- Family Educational and Privacy Act of 1974, 20 U.S.C. § 1232(g) (2010);
- Part C of Education Sciences Reform Act of 2001, 20 U.S.C. §§ 9541–9548 (2010);
- Federal Statistical Confidentiality Order of 1997, 62 Fed. Reg. 35,047 (June 27, 1997);
- Related regulations, including but not limited to: 45 C.F.R. pt. 5b (2010); and
- Any new legislation, which impacts the data collection through this contract.

RTI will also comply with the Department's IT security policy requirements as set forth in the Handbook for Information Assurance Security Policy and related procedures and guidance as well as IT security requirements in the Federal Information Security Management Act (FISMA), Office of Management and Budget (OMB) Circulars, and the National Institute of Standards and Technology (NIST) standards and guidance.

RTI will also adhere to NCES Statistical Standards, as described at the website: http://nces.ed.gov/statprog/2002/std4 2.asp.

The NPSAS:12 plan for maintaining confidentiality includes notarized nondisclosure affidavits obtained from all personnel who will have access to individual identifiers (copies of the agreement and affidavit are provided in appendix C). Also implemented are personnel training regarding the meaning of confidentiality; controlled and protected access to computer

files; built-in safeguards concerning status monitoring and receipt control systems; and a secure, staffed, in-house computing facility. NPSAS:12 follows detailed guidelines and procedures for securing sensitive project data, including (but not limited to): physical/environment protections, building access controls, system access controls, system login restrictions, user identification and authorization procedures, encryption, and project file storage/archiving/destruction. We do not anticipate receiving many enrollment lists via fax (none were received in NPSAS:08), but any that are received will be securely shredded upon study completion. Electronic enrollment lists will reside within an independent secure network, and be deleted upon study completion.

Furthermore, the Department has established a policy regarding the personnel security screening requirements for all contractor employees and their subcontractors. The contractor must comply with these personnel security screening requirements throughout the life of the contract. The Department directive that contractors must comply with is OM:5-101, which was last updated on 7/7/05. There are several requirements that the contractor must meet for each employee working on the contract for 30 days or more. Among these requirements are that each person working on the contract must be assigned a position risk level. The risk levels are high, moderate, and low based upon the level of harm that a person in the position can cause to the Department's interests. Each person working on the contract must complete the requirements for a "Contractor Security Screening." Depending on the risk level assigned to each person's position, a follow-up background investigation by the Department will occur. Materials related to these security features are provided in appendix C.

Study notification materials sent to institutions will describe the voluntary nature of the NPSAS:12 survey and convey the extent to which respondent identifiers and all responses will be kept confidential. Similarly, the scripts to be read by telephone staff will be very specific in the assurances made to respondents and contacts. Contacting materials are presented in appendix D. The following confidentiality language is provided in the study brochure that is supplied to all sample members:

The 2011-12 National Postsecondary Student Aid Study is conducted under the authority of the Higher Education Opportunities Act (HEOA) of 2008 (20 U.S.C. § 1015) and the Education Sciences Reform Act (ESRA) of 2002 (20 U.S.C. § 9512) which authorizes NCES to collect and disseminate information about education in the United States. Collection is most often done through surveys.

NCES is required to follow strict procedures to protect the confidentiality of persons in the collection, reporting, and publication of data. All individually identifiable information supplied by individuals or institutions to a federal agency may be used only for statistical purposes and may not be disclosed or used in identifiable form for any other purpose, unless otherwise compelled by law (20 U.S.C. § 9573).

There are security measures in place to protect data during file matching procedures described in section 3. NCES has a secure data transfer system, which uses Secure Socket Layer (SSL) technology, allowing the transfer of encrypted data over the Internet. The NCES secure server will be used for all administrative data sources with the exception of the NSC which has its own secure FTP site. All data transfers will be encrypted using FIPS 140-2 validated encryption tools.

Regarding file matching with administrative sources, the Family Educational Rights and Privacy Act (FERPA), (34 CFR Part 99) allows the disclosure of information without prior consent for the purposes of NPSAS:12 according to the following excerpts: 99.31 asks "Under what conditions is prior consent not required to disclose information?" and explains that (a) "An educational agency or institution may disclose personally identifiable information from an education record of a student without the consent required by 99.30 if the disclosure meets one or more of the following conditions:

- (6)(i) The disclosure is to organizations conducting studies for, or on behalf of, educational agencies or institutions to:
 - (A) Develop, validate, or administer predictive tests;
 - (B) Administer student aid programs; or
 - (C) Improve instruction.

In addition, 99.31 (a)(6)(iv) specifies: "For the purposes of paragraph (a)(6) of this section, the term *organization* includes, but is not limited to, Federal, State, and local agencies, and independent organizations."

All three parts of 99.31(a)(6)(i) apply to NPSAS:12. The purpose of NPSAS:12 is to create a research data set for a large sample of students that brings together information about federal, state, and private aid programs, and gathers additional demographic and enrollment data to establish the appropriate context. The resultant data set allows research and policy analysts to address basic issues about the affordability of postsecondary education and the effectiveness of the existing financial aid programs. The data set can be used for, or on behalf of, educational agencies or institutions to accomplish activities (A), (B), and (C).

FERPA 99.31 (a) (6) further specifies that such disclosure may only occur if the study is conducted in a manner that does not permit personal identification of parents and students by individuals other than representatives of the organization; and the information is destroyed when no longer needed for the purposes for which the study was conducted.

Additionally, the study, including the administrative data linkage, qualifies for a 45 CFR 46 waiver of consent based on the following factors:

- There is minimal risk to the participants. There is no physical risk and only minimal
 risk associated with linkage of data to sample members. The public-use and
 restricted-use data, prepared as part of our contract, will not include SSNs, even
 though these numbers are used for the linkage. Data will undergo disclosure
 avoidance analysis and disclosure treatment steps to further reduce the risk.
- The waiver will not affect the rights and welfare of the subjects. The voluntary nature
 of the study is emphasized to sample members. Public-use and restricted-use data are
 only used for research purposes and lack direct individually-identifying information.
 The data are further protected through disclosure avoidance procedures approved by
 the NCES Disclosure Review Board.
- Whenever appropriate, subjects will be provided with additional pertinent information after they have participated. For each round of the study, information about prior rounds and the nature of the study is made available to sample members.

- The study cannot be conducted practicably without the waiver. To obtain written consent from sample members, multiple forms would have to be sent to the sample members with multiple follow-up telephone and in-person visits. This process would add weeks to the data collection process and is not feasible from a time standpoint. Additionally, the value of these data would be jeopardized from a nonresponse bias perspective.
- The potential knowledge from the study is important enough to justify the waiver. These linked data for NPSAS:12 will provide invaluable data to researchers and education policy makers about the federal financial aid that students have received, as well as critical information concerning access to and persistence in postsecondary education. Rather than ask students for information about financial aid, we are getting it from the NSLDS, which is ED's system of recording federally aided student loans taken out by students and grants received. In RTI's experience, students are generally not a very reliable source of information about the amounts or timing of grants and loans they have received. This administrative record data is accurate and much easier to obtain than by administering a questionnaire.

As part of initial sampling activities, we will ask participating institutions to provide SSNs for all students on their enrollment list. Having an initial list of all student SSNs minimizes the time and burden on both the institutions and RTI. Institutions will only have to provide one enrollment list; if the SSNs were provided only for those students selected, the institutions would have to provide two separate enrollment lists. Immediately after the student sample is selected, the SSNs for non-selected students will be securely discarded.

11. Sensitive Questions

Institutions will be asked to provide personally-identifying data for students on the enrollment lists (including name, contacting information, SSN, and date of birth (DOB)). Although considered sensitive, items collected on the enrollment lists will facilitate 1) early file matching activities to screen the sample of potential FTBs, 2) identification of minors in the sample, 3) selection of the student sample, 4) initial tracing and locating activities, and 5) ongoing follow up with the FTB longitudinal cohort as part of the Beginning Postsecondary Students Longitudinal Study. Immediately after the student sample is selected, the SSNs for non-selected students will be securely discarded.

12. Estimates of Response Burden

Projected estimates for response burden and costs for NPSAS:12 are based on experiences from prior rounds of NPSAS. Using time burden data for similar institutional data collection tasks, we estimate the burden associated with the enrollment list collection to be approximately 3 hours per institution. The estimated hourly cost to institutions was raised from \$14 for NPSAS:08 to \$17 for NPSAS:12 to reflect salary increases at those institutions.

This submission is for full scale data collection of institution materials and administrative record matching only. Burden estimates for full scale test data collection from and about sampled students will be submitted in a separate package in September 2011.

The response time for participating institutions is expected to vary based on how institutions keep their records and how easily they can extract the requested information. First,

eligibility screening calls will be made to each sampled institution to confirm eligibility and verify contact information prior to mailing study information. Next, eligible institutions will be asked to complete an Institution Registration Page (IRP) to provide basic information about institutional characteristics. Finally, institutional coordinators will be asked to provide electronic enrollment lists of all students enrolled during the academic year. Institutions will be offered two methods for providing their enrollment lists:

- (1) upload encrypted student enrollment list files to the project's secure website using a login ID and "strong" password provided by RTI, or
- (2) emailing an appropriately encrypted list file directly to RTI.

Based on NPSAS:08 results and the NPSAS:12 field test, we expect that most NPSAS:12 enrollment lists will be uploaded to the project website. Of the 240 institutions that have submitted enrollment lists during the field test (which is ongoing) only 1% has submitted lists via email. Thus we anticipate that very few enrollment lists will be sent via e-mail during the full scale study.

Table 2. Maximum estimated burden on institutions for NPSAS:12 enrollment list collection

Data collection activity	Institutio n sample	Expected eligible institution s	Number of responding institutions	Percent expected response rate	Average time burden per response (hours)	Range of response times (hours)	Total time burden (hours)
NPSAS:12 full-scale study							
Eligibility screening calls	1,671	1,654	1,671	†	.08	.0310	133.68
Institutional registration page	†	1,654	1,588	96	.08	.0511	127.04
Institutional enrollment lists¹	†	1,654	1,406	85	2.75	1.0-6.0	3,866.50
Full-scale total							4,127.22

[†] Not applicable.

Table 3 presents estimated costs to institutions participating in the NPSAS:12 enrollment list data collections.

Table 3. Maximum estimated costs to institutions for the NPSAS:12 enrollment list collection

Data collection activity	Institution sample	Expected eligible institution s	Number of responding institutions	Percent expected response rate	Average time burden per response (hours)	Total time burden (hours)	Rate per hour	Total cost
NPSAS:12 full-scale study	1,671	1,654	1,406	85	2.91	4,127.22	17	70,163

13. Estimates of Cost

There are no capital, startup, or operating costs to institutions for participation in the project. No equipment, printing, or postage charges will be incurred.

14. Costs to Federal Government

A summary of estimated costs to the federal government for NPSAS:12, shown in table 4, are categorized by field test, full-scale study, and total costs. Included in the contract estimates are all staff time, reproduction, postage, and telephone costs associated with the management, data collection, analysis, and reporting for which clearance is requested.² A more detailed breakdown of contract costs is provided in table 5.

Table 4. Individual and total costs to the National Center for Education Statistics (NCES) for the NPSAS:12 field test and full-scale implementations

NPSAS:12 implementations	Costs to NCES
Field test	
Salaries and expenses	\$62,370
Contract costs	5,895,934
Total	5,958,304
Full-scale study	
Salaries and expenses	197,739
Contract costs	19,559,152
Total	19,756,891
Total costs	
Salaries and expenses	260,109
Contract costs	25,455,086
Total	25,715,195

NOTE: Costs presented here do not include base or award fee.

² Costs shown here are for the full study, including institution and student data collection efforts. This package requests clearance for full-scale institution contacting, enrollment list collection, and sampling. OMB forms clearance (No. 1850-0666) was received in May 2010 for field test institution contacting, enrollment list collection, and sampling. A subsequent request will be submitted for full scale student data collection.

Table 5. Contract costs for NPSAS:12

Study are	a and task	Budgeted amount				
110	Post award conference	\$40,891				
120	Schedules	57,488				
130	Monthly reports	803,152				
140	Integrated monitoring system	587,665				
150	Technical review panels	1,521,527				
Field test	(FT) data collection					
211	Institution sampling	173,953				
212	Institution contacting	584,390				
213	Student sampling	134,559				
220	FT RIMG/OMB forms clearance	160,116				
231	Instrumentation	1,571,218				
232	Tracing	123,657				
233	Training for institution level data collection	99,756				
234	Training for CATI data collection	138,464				
235	Institution level data collection	168,915				
236	Web/CATI data collection	675,734				
237	Data processing	716,487				
240	Methodology report	157,591				
Full-scale	(FS) data collection					
311	Institution sampling	56,935				
312	Institution contacting	950,674				
313	Student sampling	545,454				
320	FS RIMG/OMB forms clearance	109,159				
331	Instrumentation	1,087,697				
332	Tracing	1,391,671				
333	Training for institution level data collection	183,487				
334	Training for CATI data collection	589,646				
335	Institution level data collection	602,650				
336	Web/CATI data collection	7,840,060				
337	Data processing	1,602,292				
338	Weighting, imputations & nonresponse bias analysis	617,271				
339	Data disclosure planning and prevention	48,872				
340	Methodology report	259,782				
Descriptiv	Descriptive reporting					
410	First Look	193,000				
420	Data analysis system	364,102				
430	Additional special tabulations	355,533				
440	Descriptive reports	531,525				

450 460	Respond to information requests Final technical memo	388,137 21,579
Tota I		25,455,089

NOTE: Costs presented here do not include base or award fee. CATI = computer assisted telephone interview.

15. Reasons for Changes in Response Burden and Costs

The apparent decrease in the requested burden hours is due to the fact that the last approval was for field test data collection from institutions and students. This request for approval is for full scale data collection from institutions only. Approval for full scale data collection from students will be sought later this year.

Publication Plans and Time Schedule

The formal contract for NPSAS:12 requires the following reports, publications, or other public information releases:

- descriptive summaries of significant findings for dissemination to a broad audience;
- a detailed methodological report describing all aspects of the full-scale study design and data collection procedures (a working paper detailing the methodological findings from the field test will also be produced);
- complete data files and documentation for research data users in the form of both a restricted-use electronic codebook (ECB), a public-use data analysis system called QuickStats in which users create their own tables and charts using pre-defined categories from a subset of variables, and PowerStats, which allows users to create their own tables and charts using all of the variables, in addition to conducting regression analysis;
- special tabulations of issues of interest to the higher education community, as determined by NCES.

The operational schedule for the NPSAS:12 field test and full-scale study is shown in table 6.

Table 6. Operational schedule for NPSAS:12

NPSAS:12 activity	Start date	End date
Field test		
Contacts with institutions to request enrollment lists	Oct. 4, 2010	Feb. 7, 2011
Enrollment list collection	Jan. 24, 2011	April 23, 2011
Select student sample	Feb. 1, 2011	April 23, 2011
Collect student data from institution records	Mar. 15, 2011	Jun. 30, 2011
Self-administered web-based data collection	Mar. 15, 2011	Jun. 30, 2011
Conduct telephone interviews of students	Apr. 7, 2011	Jun. 30, 2011
Process data, construct data files	Jan. 25, 2011	Aug. 30, 2011
Prepare/update field test reports	Apr. 4, 2011	Oct. 26, 2012
Full-scale study		
Contacts with institutions to request enrollment lists	Sept. 12, 2011	Jun. 15, 2012
Select student sample	Jan. 24, 2012	Jul. 16, 2012
Collect student data from institutional records	Jan. 31, 2012	Sept. 28. 2012
Self-administered web-based data collection	Feb. 7, 2012	Sept. 28, 2012
Conduct telephone interviews of students	Feb. 28, 2012	Sept. 28, 2012
Process data, construct data files	Feb. 1, 2012	Jun. 17, 2013
Prepare/update reports	Aug. 24, 2012	Sept. 30, 2014

17. Approval to Not Display Expiration Date for OMB Approval

The expiration date for OMB approval of the information collection *will be displayed* on data collection instruments and materials. No special exception to this request is requested.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

There are no exceptions to the certification statement identified in the Certification for Paperwork Reduction Act Submissions of OMB Form 83-I.