

SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT RENEWAL FOR STATES USING ALTERNATIVE POVERTY DATA TO REDISTRIBUTE TITLE I, PART A FUNDS TO LOCAL EDUCATIONAL AGENCIES WITH FEWER THAN 20,000 TOTAL RESIDENTS (1810-0620)

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.*

We are requesting a three-year extension of the current paperwork clearance package (OMB number 1810-0620) related to using alternative poverty data to redistribute Title I, Part A funds to local educational agencies (LEAs) with fewer than 20,000 total residents. This information package was last approved in 2008 and expires on November 30, 2011.

Sections 1124(a)(2)(B), 1124A(a)(4)(A), and 1125(d) of Title I, Part A of the Elementary and Secondary Education Act, as amended by the No Child Left Behind Act, authorize State educational agencies (SEAs) to use alternative poverty data to redistribute Title I Basic, Concentration, and Targeted Grant allocations determined by the Department of Education (ED) to “small” local educational agencies (LEAs) with fewer than 20,000 total residents. (See <http://www.ed.gov/policy/elsec/leg/esea02/107-110.pdf> for the text of the relevant sections of the statute.) Section 200.74 of the Title I regulations further clarifies this provision by extending this flexibility to Educational Finance Incentive Grants. The statute requires SEAs to obtain approval of any alternative poverty measure they choose to use for this purpose. (See <http://www.ed.gov/legislation/FedRegister/finrule/2002-4/120202a.pdf> for the text of §200.74 of the regulations concerning the use of an alternative method to distribute allocations to small LEAs.)

These statutory provisions have been part of the Title I, Part A statute since 1994. They were first implemented in 1999 when ED switched to allocating Title I, Part A funds directly to LEAs.

Note that there is no collection of data by ED associated with these provisions in the statute and regulations. This narrative addresses only the burden associated with the actual process an SEA must follow to obtain approval from ED to use alternative poverty data to redistribute Title I, Part A funds to small LEAs. The burden connected with SEAs collecting alternative poverty data and using them to redistribute ED-determined allocations to small LEAs is addressed in the narrative of clearance package 1810-0622 concerning SEA procedures for adjusting ED-determined allocations.

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.*

In applying to ED for approval of the alternative poverty data selected, an SEA must identify the type of alternative data it proposes to use and assure that it has established a procedure through which a small LEA that is dissatisfied with the determination of its grant may appeal directly to the Secretary. As noted in item 1 above, this process is a continuation of procedures that have been in place since 1999. This narrative addresses the SEA burden connected with obtaining approval of the alternative data from ED. There is no requirement for an SEA to submit the alternative poverty data it chooses to ED.

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 to adopt this means of collection. Also describe any consideration of using information technology to reduce burden.*

The statute and regulations neither require nor preclude SEAs from using information technology to reduce burden. Most States have the data needed for this purpose available in an electronic form. States are not required to submit the alternative poverty data selected to ED.

4. *Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.*

There is no duplication.

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

Small businesses are not affected by this data collection. The small entities that would be affected by the provision in the statute and regulations are small LEAs receiving Title I, Part A funds. Nationally, 10,399 (76 percent) of 13,628 LEAs nationally have a total resident population of less than 20,000.

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.*

This clearance package only addresses the burden to States that apply to ED for approval to use alternative data. There is no collection of data involved at the Federal level. SEAs must obtain approval from ED for the use of alternative poverty data in order to notify

LEAs of their final Title I, Part A allocations. To take advantage of this flexibility, an SEA would need to collect the alternative poverty data at the State level in order to determine small LEA eligibility and to redistribute Title I, Part A funds to those LEAs based on those alternative data. Failure to obtain permission from ED to use alternative poverty data would mean that SEAs could not take advantage of the flexibility available to them under sections 1124(a)(2)(B), 1124A(a)(4)(A), and 1125(d) of the statute and §200.74 of the regulations. Currently eleven States have chosen to use this flexibility. As many as 25 States may use this flexibility.

7. *Explain any special circumstance 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 that can be generalized to the universe of study;*
 - *requiring the use of a statistical data classification that has not been reviewed and approved by OMB;*
 - *that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or*
 - *requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.*

The requirements in the statute and regulations are consistent with the guidelines in 5 CFR 1320.5. None of the special circumstances outlined in the supporting statement instructions apply.

8. *If applicable, provide a copy and identify the date and page number of publication in the FEDERAL REGISTER of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.*

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instruction and record keeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

The public had the opportunity to comment on the burden during 60-and 30-day Federal Register Notices in August 2011 and October 2011.

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

No payment is provided to respondents to apply for this flexibility.

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

Not applicable. The statute and regulations require no assurance of confidentiality.

11. *Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This 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.*

The statute and regulations do not involve any questions of a sensitive nature.

12. *Provide estimates of the hour burden of the collection of information.*

The estimated cost to the 25 SEA respondents that could seek approval from ED to use alternative poverty data for redistributing Title I, Part A funds to small LEAs is \$6,000. This assumes that the additional time needed for the 25 States to develop their requests would total 200 hours at a cost of \$30 per hour. (See the appendix for a more detailed breakout.) The approval for the use of alternative data would remain in effect for the duration of the current Title I authorization.

Respondents	Total Hours	Total Annual Burden
25	8	200

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.*

There are no startup costs.

14. *Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.*

The cost to the Federal Government is estimated to be \$1,200. This estimate is based on the possible need to develop and send out additional guidance and process requests from States seeking approval from ED for use of alternative poverty data. (See the appendix for a breakout of the estimated costs.)

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

There are no program changes or adjustment to the current burden hours associated with sections 1124(a)(2)(B), 1124A(a)(4)(A). There are no burden hour increases or decreases

to the currently reported OMB inventory for this activity.

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.*

Not applicable, SEAs would be required to obtain approval of alternative data once during the reauthorization period. An SEA would be required to submit a new request to ED only if it wished to change the alternative poverty measure used for redistributing Title I, Part A funds to its small LEAs.

17. *If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.*

The proposed display of the OMB expiration date for data collection is not applicable because there is no information collected by ED. The SEA would collect and use any alternative poverty data needed to redistribute Title I, Part A funds to its small LEAs. The SEA is not required to submit those data to ED. ED will display the OMB expiration date on any guidance issued concerning the use of alternative data.

18. *Explain each exception to the certification statement identified in the Certification of Paperwork Reduction Act.*

There are no proposed exceptions to the certifications.

B. Collection of Information Employing Statistical Methods

There are no statistical methods.

APPENDIX

ESTIMATE OF HOURS

Number of States	25
X Time needed for State to implement procedures for adjusting ED-determined allocations and make final Title I, Part A LEA allocations	<u>8</u> hours
	200
<u>Total respondent hours</u>	200 hours
X Cost rate	<u>\$30</u>
	\$6,000
 <u>Average burden hours per respondent</u>	
Person hours required nationally for States to develop requests to ED to use alternative poverty data for LEAs with fewer than 20,000 total residents	200 hours
÷ Number of respondents	25
= Average burden hours per respondent	8 hours
 <u>Federal Level</u>	
Person hours	40
X Cost rate	<u>\$30</u>
	\$1,200