SUPPORTING STATEMENT

FOR PAPERWORK REDUCTION ACT SUBMISSION

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 hard copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information, or you may provide a valid URL link or paste the applicable section[1]. Specify the review type of the collection (new, revision, extension, reinstatement with change, reinstatement without change). If revised, briefly specify the changes. If a rulemaking is involved, make note of the sections or changed sections, if applicable.

Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP), created in the Higher Education Act Amendments of 1998 (Title IV, Section 404A-404H), is a discretionary grant program which encourages applicants to provide support and maintain a commitment to eligible low-income students, including students with disabilities, to assist the students in obtaining a secondary school diploma and preparing for and succeeding in postsecondary education. GEAR UP provides grants to partnerships to provide services at high-poverty middle and high schools. GEAR UP grantees serve an entire cohort of students beginning no later than the seventh grade and follow them through graduation and, optionally, the first year of college.

The purpose of the GEAR UP Partnership and State Applications is to allow Partnerships and States to apply for funding under the GEAR UP program. On August 14, 2008, the Higher Education Opportunity Act (Public Law 110-315) (HEOA) was enacted and reauthorized the Higher Education Act of 1965, as amended (HEA). As a result of the reauthorization, we are seeking clearance for the GEAR UP Partnership and State applications, including regulatory changes required by HEOA statutory changes.

<u>GEAR UP College Savings Account Demonstration Project Revision</u>
The purpose of this revision is to introduce the GEAR UP college savings account research demonstration project. This GEAR UP project is designed to determine the effectiveness of pairing federally supported college savings accounts with GEAR UP activities as part of an overall college access and success strategy.

This is a revision of the GEAR UP Application 1840-0821. Current State GEAR UP grantees that received new awards in Fiscal Year (FY) 2011 or FY 2012, that select participating students

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[1] Please limit pasted text to no longer than 3 paragraphs.

beginning not later than seventh grade using the cohort approach and that have their cohort of students entering the ninth grade in the 2013-2014 or 2014-2015 academic year are eligible to apply for funding.

The regulatory changes are:

(1) 694.7 - Partnership & State: Applicants must state in their applications the percentage of the cost of the GEAR UP project that the applicant will provide from non-Federal funds. Under the old regulation, applicants were required to provide not less than 50 percent of the total cost of the project over the six years project period. Under the new regulations, the applicant must state in its application the percentage cost of the GEAR UP project that the applicant will provide from non-Federal funds for an optional 7th year of the project period. The estimated burden will increase by 12.5 hours per applicant.

(2) 695.19 - State Only: Prior State grantees that have carried out a successful State GEAR UP grant and have demonstrated commitment to early interventions that lead to college access through collaboration and replication of successful strategies will receive competitive preference priority points. Under the old regulations, demonstration of commitment was not a requirement or a competitive preference priority. Under the new regulations, this is a competitive preference priority that may be addressed by applicants. The estimated burden will increase by 5 hours per applicant.

(3) 694.20 - Partnership & State: Applicants may request a 7th year option with services provided to students through their first year of attendance at an institution of higher education. Under the old regulation, services to students ended in the 6th year. The estimated burden increase for a 7th year is 5 hours for each applicant. This estimated burden increase is different from what was published in the Notice of Final Rulemaking (the Notice) in the Federal Register on October 26, 2010 (75 FR 65712). The estimated burden increase published in the Notice included burden hours required to complete the two new Annual Performance Reports, in addition to those required to complete the applications.

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.

The information is collected in the form of grant applications submitted by Partnerships and States. Note that Partnerships consist of at least one institution of higher education, at least one local education agency, and not less than two other community organizations or entities, such as businesses or professional organizations.

The Department of Education uses the information in the applications to evaluate those grant applications and select grant recipients. For applications that are approved for awards, the application information also serves as a basis for monitoring project performance based on the project design, objectives, evaluation plans, and other information described in the grant application.

The College Savings Account Demonstration will collect information in the form of a grant applications submitted by current GEAR UP state grantees originally funded in FY 2011 or 2012. The Department of Education will use the information in the applications to select grant recipients.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision of adopting this means of collection. Also describe any consideration given to using technology to reduce burden.

The GEAR UP program will require applicants to submit applications electronically through the Grants.gov system. If an applicant cannot submit an application electronically, the applicant may seek a waiver of this requirement.

The College Savings Account Demonstration Project will require applicants to submit applications electronically through the Grants.gov system.

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.

This information does not duplicate any other information collection effort. The information collection is relevant only to grant applications under the GEAR UP program. There is no similar information available in other forms or as the result of other information collections.

This information does not duplicate any other information collection effort. The information collection is relevant only to current GEAR UP state grantees. There is no similar information available in other forms or as the result of other information collections.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden. A small entity may be (1) a small business which is deemed to be one that is independently owned and operated and that is not dominant in its field of operation; (2) a small organization that is any not-for-profit enterprise that is independently owned and operated and is not dominant in its field; or (3) a small government jurisdiction, which is a government of a city, county, town, township, school district, or special district with a population of less than 50,000.

All steps possible are taken to minimize burdens on small businesses or other small entities, including the use of electronic applications.

This collection will not impact small businesses or other small entities, including the use of electronic applications.

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.

Without the data collection, the Department of Education could not solicit grant applications, conduct grant competitions, or make new grant awards under the GEAR UP program. Data are collected only when there are funds available to award new GEAR UP State grants.

Without the data collection, the Department of Education could not solicit grant applications, conduct grant competitions, or make new grant awards under GEAR UP College Savings Account Demonstration Project.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- requiring respondents to report information to the agency more often than quarterly;
- requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
- requiring respondents to submit more than an original and two copies of any document;
- requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
- in connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of study;
- requiring the use of a statistical data classification that has not been reviewed and approved by OMB;
- that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or that 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.

There are no special circumstances associated with this data collection. This information collection will be conducted in a manner consistent with established guidelines.

8. As applicable, state that the Department has published the 60 and 30 Federal Register notices as 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 Department published a Notice of Proposed Priorities (NPP) in the Federal Register on June 1, 2012 (Vol. 77, pages 32612-32621) seeking public comment on the GEAR UP College Savings Account Demonstration Project. The public comment period ended July 2, 2012. The NPP was published in the Federal Register without a Paperwork Reduction Act burden section. Therefore, the NPP related collection, 1840-0821 GEAR UP needs a separate 30 day Federal Register Notice to solicit public comment on the collection packages.

In response to the Federal Register Notice (Vol. 77, No. 139) submission for OMB Review, we received one comment.

Comment: One commenter believes that the Department made funding decisions in FY 2012 contrary to the legislation governing the GEAR UP Program. This commenter also believes the Department is restricted from establishing the College Savings Account Research Demonstration Project as a result of those funding decisions.

Discussion: We appreciate this comment. However the funding decisions relating to the GEAR UP Program were made according to the legislation governing the program. Section 404B(a) of the Higher Education Act, as amended (20 USC 1070a-22(A)), provides that—

In awarding grants from the amount appropriated [for GEAR UP] for a fiscal year, the Secretary shall make available -

(1) to [State grantees], not less than 33 percent of such amount;

(2) to [partnership grantees], not less than 33 percent of such amount; and

(3) to [State or partnership grantees], the remainder of such amount taking into consideration the number, quality, and promise of the applications for the grants, and, to the extent practicable -

(A) the geographic distribution of such grant awards; and

(B) the distribution of such grant awards between urban and rural applicants.

This statue does not differentiate between the amount of the fiscal year appropriation made available for new GEAR UP awards and the amount made available for non-competing continuation GEAR UP awards, and we have consistently interpreted it to apply to both.

The FY 2012 appropriation for the GEAR UP Program is $302,243,678. After setting aside $1,500,000 for program evaluation as authorized under section 404G(c), the Department awarded $131,417,477 (approximately 43% of the appropriation) to State grantees and $159,489,469 (approximately 53 % of the appropriation) to partnership grantees, amounts that comport with this statutory requirement. Thus, in proposing to award approximately $8.9 million to State grantees who submit quality applications under the proposed Research Demonstration Project, the Department continues to adhere to the statute governing the GEAR UP Program.

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

No payment or gifts are provided to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. If personally identifiable information (PII) is being collected, a Privacy Act statement should be included on the instrument. Please provide a citation for the Systems of Record Notice and the date a Privacy Impact Assessment was completed as indicated on the IC Data Form. A confidentiality statement with a legal citation that authorizes the pledge of confidentiality should be provided.[2] If the collection is subject to the Privacy Act, the Privacy Act statement is deemed sufficient with respect to confidentiality. If there is no expectation of confidentiality, simply state that the Department makes no pledge about the confidentially of the data.

No assurance of confidentiality will be provided to respondents as no assurances are included in the statute or regulations.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. The justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

The questions are not of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information. The statement should:

[2] Requests for this information are in accordance with the following ED and OMB policies: Privacy Act of 1974, OMB Circular A-108 – Privacy Act Implementation – Guidelines and Responsibilities, OMB Circular A-130 Appendix I – Federal Agency Responsibilities for Maintaining Records About Individuals, OMB M-03-22 – OMB Guidance for Implementing the Privacy Provisions of the E-Government Act of 2002, OMB M-06-15 – Safeguarding Personally Identifiable Information, OM:6-104 – Privacy Act of 1974 (Collection, Use and Protection of Personally Identifiable Information)

- Indicate the number of respondents by affected public type (federal government, individuals or households, private sector – businesses or other for-profit, private sector – not-for-profit institutions, farms, state, local or tribal governments), frequency of response, annual hour burden, and an explanation of how the burden was estimated, including identification of burden type: recordkeeping, reporting or third party disclosure. All narrative should be included in item 12. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.

- If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in the ROCIS IC Burden Analysis Table. (The table should at minimum include Respondent types, IC activity, Respondent and Responses, Hours/Response, and Total Hours)

- Provide estimates of annualized cost to respondents of the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.

PARTNERSHIP ONLY:

Estimated number of respondents ……………. 500
Estimated application preparation time………..40 hours
Estimated increase in burden hours - Final regulation 694.7 (non-Federal match)…...13 hours per application
Estimated increase in burden hours - Final regulation 694.20 (7^{th} year funding)……..5 hours per application
Estimated average hours per respondent in collection of information (27,750 ÷ 500)….
……….56 average hours per respondent

Affected Public Estimated Burden Hours: State, local, or Tribal Government.

Regulation Section	Number of Respondents	Frequency of Response	Annual Hour Burden	Total Burden Hours
	500	Annually	40	20,000
694.7 Non-Federal Match	500	Annually	13	6,500
694.20 7^{th} year funding	250	Annually	5	1,250

Total Public Estimated Burden Hours				27,750

Estimated Cost to Respondents

Personnel & Operating Cost	Annual Hour Burden	Wage	Number of Respondents	Total Cost
Professional Personnel	55	$30/hour	500	$825,000
Overhead estimate @ 50% salary				$412,500
Clerical staff	27	$15/hour	500	$202,500
Overhead estimate @ 50% salary				$101,250
Computer time @ $200 & Printing @ $10 = $210			500 ($210 X 500)	$105,000
Operational Cost @ $100 (Application materials)			500	$50,000
Total Estimated Cost to Respondents				$1,696,250

STATE ONLY:

Estimated number of respondents …………….45
Estimated application preparation time………..40 hours
Estimated increase in burden hours - Final regulation 694.7 (non-federal match)…...13 hours per application
Estimated increase in burden hours - Final regulation 694.19 (demonstrate commitment to early intervention)…...5 hours per application
Estimated increase in burden hours - Final regulation 694.20 (7th year funding)……...5 hours per application
Estimated average hours per respondent in collection of information (2,710 ÷ 45)…… ……….60 average hours per respondent

Affected Public Estimated Burden Hours: State, local, or Tribal Government.

Regulation Section	Number of Respondents	Frequency of Response	Annual Hour Burden	Total Burden Hours
	45	Annually	40	1,800

694.7 Non-Federal Match	45	Annually	13	585
694.19 Demonstrate Early Intervention	45	Annually	5	225
694.20 7th Year Funding	20	Annually	5	100
Total				2,710

Estimated Cost to Respondents

Personnel & Operating Cost	Annual Hour of Burden	Wage	Number of Respondents	Total Cost
Professional Personnel	60	$30/hour	45	$81,000
Overhead estimate @ 50% salary				$40,500
Clerical staff	30	$15/hour	45	$20,250
Overhead estimate @ 50% salary				$10,125
Computer time @ $200 & Printing @ $10 = $210			45 ($210 X 45)	$9,450
Operational Cost @ $100 (Application materials)			45	$4,500
Total Estimated Cost to Respondents				$165,825

The total number of responses is 545. The total number of burden hours is 30,460. The total cost to respondents is $1,862,075.

GEAR UP College Savings Account Demonstration Only:

Estimated number of respondents ……………. 26
Estimated application preparation time………..5 hours
Estimated average hours per respondent in collection of information (130 /26)…….5 average hours per respondent

Affected Public Estimated Burden Hours: State, local, or Tribal Government

Regulation Section	Number of Respondents	Frequency of Response	Annual Hour Burden	Total Burden Hours
	26	Once	5	130
Total				130

Estimated Cost to Respondents

Personnel & Operating Cost	Annual Hour of Burden	Wage	Number of Respondents	Total Cost
Professional Personnel	5	$30/hour	26	$3,900
Overhead estimate @ 50% salary				$1,950
Clerical staff	1	$15/hour	26	$390
Overhead estimate @ 50% salary				$195
Computer time @ $200 & Printing @ $10 = $210			26 ($210 X 26)	$5,460
Operational Cost @ $100 (Application materials)			26	$2,600
Total Estimated Cost to Respondents				$14,495

In the previously approved GEAR UP collection package, the total number of responses was 545. The total number of burden hours was 30,460 and the total cost to respondents was $1,862,075.

For the GEAR UP College Savings Account Demonstration Project, the total number of responses is 26. The total number of burden hours is 130. The total cost to respondents is $14,495.

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 acquiring and maintaining 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. Also, these estimates should not include the hourly costs (i.e., the monetization of the hours) captured above in Item 12

Total Annualized Capital/Startup Cost : $.00
Total Annual Costs (O&M) :
_$.00
Total Annualized Costs Requested :

There are no start-up costs, as the only costs are for customary and usual business practices.

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.

PARTNERSHIP ONLY:

The estimated cost to the Federal Government:

Activities/Task	Cost	Hours	Number of Staff	Number of Respondents	Total Cost to

					Fed. Govt.
Application Clearance Package Development	$45	120	1		$5,400
Overhead cost: facilities, administration, & other direct cost @ 50% of salary					$2,700
Securing OMB approval clearance & overhead cost @50%	$45	40	1		$1,800 $ 900
Technical assistance to potential applicants & over - head cost @ 50%	$45	1 hr/App	5	500	$112,500 $ 56,250
GEAR UP staff pre-screening application & overhead cost @ 50%	$45	1 hr/App	5	100	$22,500 $11,250
Staff time for conducting supervised panel review for 2 weeks & overhead cost @ 50%	$45	80	25		$90,000 $45,000
Contractual cost for peer review (labor, honorarium, travel, materials, & database)					$477,500
GEAR UP staff processing successful applications in G-5 and completing other requirements & overhead @ 50%	$45	2 hrs/app		96	$8,640 $4,320
Preparing and issuing notification of award to successful applicants & overhead cost @ 50%	$45	1 hrs/app		96	$4,320 $2,160
Total estimated cost to government (competitive year)					$845,240

STATE ONLY:

The estimated cost to the Federal Government:

Activities/Task	Cost	Hours	Number of Staff	Number of Respondents	Total Cost to Fed. Govt.
Application Clearance Package Development	$45	40	1		$1,800
Overhead cost: facilities, administration, & other direct cost @ 50% of salary					$900
Securing OMB approval clearance & overhead cost @	$45	8	1		$360 $180

50%					
Technical assistance to potential applicants & over-head cost @ 50%	$45	1 hr/App		45	$2,025 $1,013
GEAR UP staff pre-screening application & overhead cost @ 50%	$45	1 hr/App		45	$2,025 $1,013
Staff time for conducting supervised panel review for 2 weeks & overhead cost @50%	$45	80	3		$10,800 $5,400
Contractual cost for peer review (labor, honorarium, travel, materials, & database)					$122,500
GEAR UP staff processing successful application in G-5 and completing other requirements & overhead @ 50%	$45	2 hrs/app		17	$1,530 $765
Preparing and issuing notification of award to successful applicants & overhead @ 50%	$45	1 hrs/app		17	$765 $383
Totals estimated cost to government (competitive year)					$151,459

College Savings Account Demonstration Only:

The estimated cost to the Federal Government:

Activities/Task	Cost	Hours	Number of Staff	Number of Respondents	Total Cost to Fed. Govt.
Application Clearance Package Development	$45	10	1		$450
Overhead cost: facilities, administration, & other direct cost @ 50% of salary					$225
Securing OMB approval clearance & overhead cost @ 50%	$45	8	1		$360 $180
Contractual cost for peer					$122,500

review (labor, honorarium, travel, materials, & database)					
GEAR UP staff processing successful application in G-5 and completing other requirements & overhead @ 50%	$45	2 hrs/app		12	$1,080 $540
Preparing and issuing notification of award to successful applicants & overhead @ 50%	$45	1 hrs/app		12	$540 $270
Totals estimated cost to government (competitive year)					$126,145

15. Explain the reasons for any program changes or adjustments. Generally, adjustments in burden result from re-estimating burden and/or from economic phenomenon outside of an agency's control (e.g., correcting a burden estimate or an organic increase in the size of the reporting universe). Program changes result from a deliberate action that materially changes a collection of information and generally are result of new statute or an agency action (e.g., changing a form, revising regulations, redefining the respondent universe, etc.). Burden changes should be disaggregated by type of change (i.e., adjustment, program change due to new statute, and/or program change due to agency discretion), type of collection (new, revision, extension, reinstatement with change, reinstatement without change) and include totals for changes in burden hours, responses and costs (if applicable).

The burden increase results from a program change to run this one-time college savings account demonstration project which seeks to determine the effectiveness of pairing federally supported college savings accounts with GEAR UP activities. This collection will result in a change of 26 responses and an increase of 130 burden hours.

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.

The U.S. Department of Education does not plan to publish any information from this collection.

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 U.S. Department of Education will display the expiration date for the OMB approval for this data collection.

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

No exceptions are being requested for this information collection.