

**THE FAFSA COMPLETION STUDY: SUPPORTING STATEMENT FOR OMB
CLEARANCE**

PART A: SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT SUBMISSION

SEPTEMBER 11, 2012

The Institute of Education Sciences (IES) at the U.S. Department of Education (ED) requests Office of Management and Budget (OMB) approval to conduct data collection for a rigorous study of the FAFSA Completion Project. The project will provide 80 Local Educational Agencies (LEAs) or school districts with access to data on whether specific students have completed the Free Application for Student Aid (FAFSA); this information is intended to help schools implement targeted outreach to seniors and their families who have not yet submitted a FAFSA, or who submitted a FAFSA that may be incomplete. The evaluation of the project is being conducted by IES staff in the National Center for Education Evaluation. The study will use a delayed-treatment control group design, and will examine the impact of access to the data on students' application for and receipt of federal student aid and a proxy for college enrollment. This is a first collaboration between IES and ED's Federal Student Aid (FSA) office on an evaluation relating to financial aid.

Overview of the Project and Evaluation Design

In January 2012, ED issued a nationwide invitation to LEAs to participate in the project. In addition to meeting specified technical requirements to gain access to the FAFSA data, LEAs were also required to have two or more high schools, since the study design calls for random assignment of schools within districts, and to agree to be part of an evaluation. Out of 149 applicants, 80 multiple-district districts from 27 states were randomly selected to participate.

The participating school districts and schools are responsible for developing and implementing their plans for targeted outreach and counseling of students. In October 2012, FSA will use funds from the Lumina Foundation to convene a conference of participating districts to provide technical assistance in developing an approach to using the FAFSA data to increase FAFSA completion rates for seniors. In addition, the participating school districts are responsible for establishing the technical capacity (including hardware and software) to receive the FAFSA completion data through an FSA secure portal. No federal funds are available to districts for any part of the demonstration project.

Also in fall 2012, each participating school district will submit a list of high schools to IES that it wishes to include in the study, as well as a roster of all the seniors in each school. Within districts, designated schools will be randomly assigned to the treatment group or the control group.¹ Treatment school staff will have access to students' FAFSA completion data beginning in the 2012-2013 academic year, and control school staff will have access beginning in the following year, making 2012-2013 the experimental study period.

We will compare the outcomes of seniors in the two groups of schools to estimate the effects of schools' access to individual student FAFSA applications and any follow up that the schools undertake. Specifically, the evaluation will address the following research questions:

- ***What is the impact of access to the data on students' application for federal student aid?***
With completion of a FAFSA a necessary prerequisite for obtaining student aid, the most direct goal of the project is to increase rates of FAFSA form completions; the evaluation will examine whether that is the case.

¹ The study will probably "block" or match schools within districts prior to conducting the random assignment. Blocks would be based on a combination of school characteristics including prior year's FAFSA completion rate, and possibly other variables, including enrollment size, the percentage of students eligible for free and reduced price lunches, and average test scores.

- **What is the impact on students' receipt of federal student aid?** Receipt of financial aid is the key gateway to college enrollment. In addition, it is possible that schools' project efforts could not only increase FAFSA application completion rates but also the accuracy and quality of the information provided, thereby making students more likely to receive aid,
- **What is the impact on college enrollment?** Ultimately, ED hopes that providing schools with access to individual student FAFSA data will – through increased receipt of financial aid – also increase college enrollment.

The data collection to address these research questions will create minimal burden on the respondents and will have limited cost to the government. This package is requesting permission for IES to obtain lists of high schools and student rosters from the participating districts or their high schools. Other data for the study -- completion of a FAFSA, receipt of Pell Grant, and a proxy for college enrollment (whether an institution of higher education has drawn down the Pell Grant funds for individual students) -- will come from existing ED administrative data that will not generate any new burden because they are already collected for other purposes. The analyses will be conducted internally by IES staff. The results will be summarized in an internal memo.

A.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.

Increasing college enrollment and completion among disadvantaged students has been designated a high priority by the Obama administration. The FAFSA is used by the federal government to determine eligibility for and amounts of student aid to be awarded, and it is used by states, colleges, universities, and other post-secondary institutions, to determine their contributions to need-based student financial aid, after the level of federal aid has been determined. The use of the FAFSA and the formula for federal student aid are prescribed by the Higher Education Act (HEA). The goal of a single form that is accepted by essentially all post-secondary institutions was to simplify access to financial aid for all students, and particularly for those in most need.

The FAFSA is widely used and completion rates have grown over time.² FAFSA completion is strongly associated with college enrollment and is a prerequisite for receipt of federal aid and most state and private aid as well. Nonetheless, the complexity of the form can be a barrier for some students. The FAFSA has 100 questions, including 45 questions on income and assets. About 57 percent of 2004 high school graduates had completed the FAFSA by 2006 (73 percent of those who had applied to college). This implies 43 percent did not apply for federal financial aid, even though many would have been eligible (NCES 2010).³ Among those who completed the FAFSA for the 2004-2005 school year, 90 percent enrolled in a post-secondary program in that school year (NCES 2010). Among those who had applied for college but had not applied for financial aid as of 2006 (27 percent of college applicants), most reported they did not need help paying for college, but 10 percent who did not complete the FAFSA reported the aid application process was too difficult and 9 percent reported concerns about

² For the most recent year with full data available, 2010-2011, more than 21 million students completed the FAFSA (ED data as reported by Finaid.org.) The numbers have roughly doubled in the past 10 years.

³ Data are from Table 5 of "Getting Ready for College: Financial Concerns and Preparation Among the High School Senior Class of 2003-04." U.S. Department of Education, NCES 2010-204, April 2010. Data were from the Educational Longitudinal Study of 2002.

being able to pay back a loan (NCES).⁴ These figures correspond to about 3 percent of all college applicants. However, these concerns were substantially more common among minority students, those whose first language was not English, and those whose parents had not completed high school. Furthermore, the figures for college applicants do not include any students who did not apply to college because of concerns about financial aid.

In the past several years, the U.S. Department of Education (ED) has tried to improve access to college aid by simplifying the FAFSA form and by leveraging electronic databases to help schools identify those who need more assistance in completing the FAFSA. All schools can now get access to ED data on the total number of FAFSA forms submitted by their students and compare this to the number of seniors to determine their overall completion rate (U.S. Department of Education, Press Office, "Education Department Launches New Data Tool to Help High School Officials Increases FAFSA Completion and College Accessibility," March 13, 2012). In addition, in 2010, ED started the FAFSA Completion Pilot Project to test a process through which school districts could be given access to ED data to determine if specific students had submitted the FAFSA. The initial pilot was in 20 school districts, starting in school year 2010-2011, and was intended to test the feasibility of the project. ED has now responded to requests from LEAs to expand the pilot, and is currently offering the pilot to 80 multiple-high-school LEAs and 12 single-high-school LEAs. (The latter group will not be part of the evaluation.)

The main purpose of the expansion project and its evaluation is to help ED determine whether to make such access to student-level FAFSA completion data available to all districts in the United States. FSA incurs significant administrative costs in matching student names provided by districts or schools against its data files and sending back FAFSA completion information on an as-needed basis. FSA estimates, for example, that it has spent just over \$450,000 so far to modify the contract with its data vendor to support the new 92 LEAs that will take part in the expansion project. The evaluation will provide crucial information to assess the cost effectiveness of this strategy. If district/school use of the data does have positive impacts on student outcomes, then ED would most likely both open access to other districts and promote it as a useful strategy for districts to increase college enrollment.

The study is will be carried out under the Education Sciences Reform Act (ESRA) of 2002, which created IES and authorizes it to conduct research in areas of demonstrated national need (ESRA, Title I, Part D, Section 173).

A.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.

a. How and By Whom the Data Will be Collected

If approved, IES will request that the 80 districts selected to participate in the project and required to participate in the evaluation submit two types of information for the evaluation:

- **List of high schools** the LEAs wish to be included in the demonstration project, along with specific information needed on each high school. A draft of the letter requesting the list of high schools is included as Appendix A and will be sent in fall 2012.

⁴ Respondents could select multiple responses.

- **Rosters of seniors in each participating high school.** The letter in Appendix A also requests an indication from the LEAs of whether the rosters information needed for the evaluation should be requested at the district or the school level. As soon as that information is provided, IES will send another letter requesting the roster information for seniors in participating high schools will be sent in late fall 2012.⁵ Appendix B provides draft text of a letter from IES to the school districts (or school principals). These rosters will contain only directory information that is compliant with the districts' FERPA notifications.

In the fall 2013, ED staff will match the student roster data to internal ED databases to obtain data on FAFSA completion, award of federal student aid, and draw down of Pell grant funds for students in the demonstration treatment and control groups. In addition, the data will be matched to the Common Core of Data (CCD) district and school files to obtain district and school characteristics relevant to the outcomes of interest.

b. Purpose of Data Collection

The list of schools LEAs wish to have access to student-level FAFSA data is needed in order to conduct the random assignment of schools within LEAs and set up the conditions for a rigorous impact evaluation. Because we cannot be certain that all of the high schools within an LEA would be candidates to participate, we cannot simply abstract a list of schools from the CCD or other databases. For example, districts may prefer not to include some smaller alternative high schools or schools that may be undergoing significant change in leadership or structure.

The rosters of seniors at each school is necessary in order to estimate the impacts of FAFSA access on the key outcomes of interest. FSA does not currently record the high school of students who submit FAFSA forms so there is no other way to link students' outcomes to the specific school in which they're enrolled.

Overall, the data collected and analyzed will help policymakers understand whether providing districts access to student-level FAFSA data is a useful strategy for improving rates of FAFSA completion and receipt of federal student aid. These analyses will help policymakers decide if ED should invest additional administrative funds to make the student-level FAFSA completion data available to all interested school districts.

c. Past Uses of Data

This is a new data collection.

⁵ Additional information on mechanics of the random assignment of schools is provided in Part B.

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

IES anticipates that both the high school lists and rosters will be transmitted electronically in most cases. Districts or schools will be invited to transmit student rosters with directory information electronically via secure methods (such as a secure ftp site) or to send hard copies via express mail.

A.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. The only previous effort to make FAFSA information on individual seniors available to high school guidance counselors was the initial pilot with 20 school districts, which began in 2010. However, no student-level outcome data were obtained as part of that pilot because the focus was on the feasibility of implementation not outcomes.

A.5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

Schools and some school districts may be considered small entities. To minimize burden on these small entities, ED will request only one round of roster information. In addition, whenever possible, the information will be obtained at the district level, to minimize the burden on individual schools.

A.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.

The FAFSA Completion Study will assess whether giving school districts access to FSA data on whether individual seniors at their schools have completed the FAFSA is an effective approach to increasing the rates of FAFSA completion, federal financial aid receipt, and college enrollment. The study will take advantage of a unique opportunity to learn about the usefulness of this strategy by rolling it out gradually, and using random assignment to assign schools to earlier or later implementation. Not collecting the student roster data or matching it against existing databases would prevent a rigorous assessment of whether this small change was a useful way to improve access to college, particularly among low-income or first-generation college applicants. Furthermore, the design of the proposed study implies a very small burden on school districts and minimal federal costs.

A.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 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.*

No special circumstances apply to the proposed study.

A.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 instructions and recordkeeping, 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.

During the period ED was soliciting participation, LEAs were provided with opportunities to ask questions about the project and the intended evaluation, and ED provided responses. In addition, several webinars, with Q&A periods, have been conducted with districts selected to participate. Finally, the 60 and 30-day notices have been published for public comment. No comments were received during the 60-day comment period.

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

No payments to participating schools or school districts are planned.

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

The FAFSA Completion study will be conducted in accordance with all relevant regulations and requirements, including the Privacy Act of 1974 (5 usc 552 a), the Family Educational Rights And Privacy Act Of 1974 (20 usc 1232 g), the Protection Of Pupil Rights Act (20 usc 1232 h), the Confidentiality Provisions Of The Education Sciences Reform Act (20 usc 9573), related regulations (41 cfr part 1-1 and 45 cfr part 5b), and, as appropriate, other federal or ED regulations on the protection of human All data collection activities will be conducted in full compliance with ED regulations to maintain the confidentiality of data obtained on private persons and to protect the rights and welfare of human research subjects as contained in Department of Education regulations. These activities will also be conducted in compliance with other applicable federal regulations. Any contractor to IES that provides technical support for the study (e.g., attach data from the CCD or the FAFSA completion website to the school lists in order to conduct random assignment in matched blocks) will be contractually held to meet all federal regulations.

All data for which forms clearance approval is sought will be collected from districts or schools and not from individual parents or students. The list of schools that desire to participate in the FAFSA Completion demonstration are not subject to any federal confidentiality provisions however ESRA (P.L. 107-279) prohibits IES from naming schools in any published reports. The rosters of seniors will contain directory information (student name, address, and date of birth), and include only students whose parents did not opt out of release of this information, as required under the Family Educational Rights and Privacy Act (FERPA) and implementing regulations (20 U.S.C. 1232g and 34 CFR Part 99). Under FERPA, parents are offered an opportunity to opt out of release of this information at the start of each school year. Directory information for seniors will be matched against ED databases maintained by FSA, which is allowable without individual parent notification under the FERPA evaluation exemption.

The letters to district (or in a few cases to schools) requesting the rosters of seniors will contain the following statement assuring confidentiality of all data collected for and used in the study:

As required by the policies and procedures of the Education Sciences Reform Act of 2002, Title I, Part E, Section 183, responses to this data collection will be used only for statistical purposes. The reports prepared for this study will summarize findings across districts and schools and will not associate responses with an individual. We will not provide information that identifies any individual to anyone outside the study team, except as required by law. Any willful disclosure of such information for nonstatistical purposes, without the informed consent of the respondent, is a class E felony.

A.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.

No data of a sensitive nature are being collected.

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

- **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. 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 Item 13 of OMB Form 83-1.*
- *Provide estimates of annualized cost to respondents for 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 13.*

All of the hour burden for this study will fall on school or district staff members who will be asked to provide records. No burden on students or parents will be involved. Table A.1 shows our estimates of hour burden.

Estimated Hour Burden for School Districts and Schools.

The planned evaluation includes two types of data collection efforts from school districts. The first is the effort involved in providing a list of high schools the LEA wished to participate in the study, contacts for each school, and any additional information that may be needed for random assignment (if not available from published sources such as the CCD). There are 80 school districts participating, and they have 10 high schools on average. Assuming they designate all of these high schools for participating, we assume that it will take the school district contact or designated staff member no more than 2 hours to pull together this information, for a total of 160 hours.

The second type of data collection effort from school district involves the provision of rosters of seniors with directory information (name, address, date of birth), excluding any seniors whose parents have opted out of making this information available. We assume that of the 80 school districts, 60 will be able to extract the information at the district level and 20 will need to have the data for each high school extracted at the school level. The latter group of school districts will likely be smaller than average, and we have assumed three schools per school district. We assume that providing the rosters of seniors' directory information will require 8 hours per school district when the database is centralized (60 x 8 hours=480 hours) and 8 hours per high school when the directory data must be obtained at the school level (20 x 3 x 8 hours=480 hours), implying 960 total hours for providing the rosters.

Summing the total hours from the two different types of data collection processes for each experiment leads to burden estimates of 1,120 hours for school district and school staff.

Table A1. Hour Burden Estimates for FAFSA Completion Project

Data source	Number of	Frequency	Average	Burde
-------------	-----------	-----------	---------	-------

	LEAs/schools	of Collection	Processing Time	n (Hours)
LEA Staff				
Lists of Schools and School or LEA Contacts (June 2012)	80 LEAs	One time	2 hours	160
Extraction of Directory Information for Seniors	120 respondents 60 LEAs (centrally) and 20 LEAs that have school respondents (assume 3 high schools each)	One time	8 hours per LEA or per school	960
Total				1,120

Notes: The assumption that some directory data must be obtained at the school level is to be conservative in the direction of overestimating burden.

Estimated Cost Burden for School Districts and Schools.

To estimate the cost burden of the FAFSA completion study, we multiply the hours estimates presented in Table A.1 by the average hourly wage. The average hourly wage, based on the Bureau of Labor Statistics (BLS) average hourly earnings of state and local government workers, is \$26.08 (U.S. Bureau of Labor Statistics, National Compensation Survey: Occupational Earnings in the United States, 2010, Bulletin 2753, May 2011). Multiplying the total number of hours by the average hourly wage yields a total cost estimate of \$46,109 (1,768 hours x \$26.08 per hour). Table A.2 provides separate cost burden estimates for each data collection activity.

Table A.2. Cost Burden Estimates for FAFSA Completion Project

Datasource	Burden (Hours)	Average Hourly Wage	Total Cost
LEA or School Staff			
Lists of Schools and School or LEA Contacts	160	\$26.08	\$4,173
Extraction of Directory Information for Seniors	960	\$26.08	\$25,037
Total	1,120	\$26.08	\$29,210

A.13. Provide an estimate for the total annual cost burden to respondents or recordkeepers 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 purchasing or contracting out information collections 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.

This collection does not include start up costs.

A.14. Provide estimates of annualized costs 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 may also aggregate cost estimates from Items 12, 13, and 14 in a single table.

There are no expenditures associated with conducting the evaluation. As part of their regular duties, IES staff will conduct the analyses of the impact on FAFSA completion, financial aid receipt, and a proxy for college enrollment and will prepare an internal memo describing the results.

However, there are costs incurred in providing access to the data. FSA estimates that it has spent just over \$450,000 to ensure that it's contractor can receive and give out data for the 92 LEAs that are participating in the FAFSA completion expansion project.

A.15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I (these references will change when the Information Collection Submission Worksheet is finalized).

This is a new data collection.

- A.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 study will compare student outcomes between the treatment and control groups to determine impacts of the FAFSA Completion project in multi-high-school LEAs. The outcomes will include completion of the FAFSA form, and receipt of Pell grants and other federal student aid. Hierarchical linear models will control for school, district, and local area characteristics. These results will be discussed in an internal ED memo that will be completed in early 2014.

- A.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 expiration date for OMB approval will be displayed on all forms and letters associated with this data collection.

- A.18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I. Again, the reference will change when the Information Collection Submission Worksheet is finalized.**

No exception is requested or needed.