SUPPORTING STATEMENT

FOR PAPERWORK REDUCTION ACT SUBMISSION

Foreign School Supplemental Application System

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.

> This is a request for a new Office of Management and Budget Information Collection number. This information collection reflects, in part, regulatory changes that were finalized in the Federal Register published on November 1, 2010. The regulatory changes are made in conjunction with statutory changes from section 102(a)(1)(B) of the Higher Education Opportunity Act (HEOA).
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> The changes to the regulations are required to enforce statutory and regulatory requirements and ensure the proper oversight of Title IV, Higher Education Act of 1965, as amended (HEA) programs for foreign institutions that have U.S. students attending eligible programs who receive federally insured student loans. Those sections of the regulations include the requirement of foreign schools participating in the Title IV programs to notify the Department of Education (Department) of additions to the type and location of clinical training offered by foreign graduate medical schools, nursing schools and veterinary schools, unless the location meets explicit exemptions criteria. Also, these regulations require that the foreign institution provide copies of affiliation agreements with hospitals and clinics that provide clinical training.
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> Previously this burden was included in the information collection 1845-0012. However, the use of the Electronic Application for Approval to Participate in Federal Student Financial Aid Programs (e-App) for the collection of the information from foreign schools could not be implemented because of e-App platform stability issues. The collection and processing of the required regulatory information is currently being performed manually by the Foreign Schools Team of the Program Compliance office. The e-App system is slated to be replaced by another application system the Integrated Partner Management system (IPM system) in 2013. And the IPM system will incorporate all of these required data collections and provide for electronic submission of additional documentation.

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

The Foreign School Supplemental Application System (FS SAS) is designed as a bridge system that will allow foreign school administrators to enter information directly into the system in a secure fashion and upload required documents. The FS SAS works in conjunction with the e-App system. When a foreign school is applying for initial participation, is submitting an application for recertification or reinstatement, including if the school is seeking approval of its medical, nursing, or veterinary school, upon completion of the e-App, the school will able to link to the FS SAS on the Information for Financial Aid Professionals (IFAP) webpage. Only foreign schools, who are registered with Federal Student Aid and who have been issued the required two factor authentication tokens can access the FS SAS. The FS SAS allows foreign schools to upload required documentation in a portable document format (pdf) to accompany the applications and reducing the time it takes to complete the application to submit to the Foreign Schools Team for review.

Upon acceptance of this collection request, the currently assigned burden hours will be removed from the information collection for the e-App (OMB Control Number 1845-0012).

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.

This information is required by the Foreign Schools Team to ensure that the school and its programs meet all institutional eligibility requirements.

In addition to the information required in the e-App, the Foreign School Supplemental Application System (FS SAS) includes further questions about the institution, specifically questions about programs offered through arrangements with partners and educational sites where training will be offered. And if the institution is applying for approval or recertification of its medical school, nursing school, or veterinary school there will be additional questions about the program and the facilities for those programs clinical training sites. Along with the opportunity to provide more complete information about its programs, institutions can electronically attach required supporting documents creating a more complete application before submitting it to the Foreign Schools Team.

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.

Institutions must use the e-App to submit an initial request for certification of eligibility, a recertification of eligibility, and certain specified changes to a school’s programs, personnel, or structure. The e-App is a form submitted electronically that also requires the mailing of certain signature pages along with the transmission of information using the Internet. Information about the e-App is available at http://eligcert.ed.gov/ .

With the Foreign School Supplemental Application System (FS SAS), foreign institutions will use computer and Internet technology to access the FS SAS to transmit the required supporting documents. Currently under development is a *FST Supplemental Application System User Manual* which will provide specific information to users regarding the FS SAS, screenshots of the system, and explanations of how the system will work in conjunction with the e-App. Information about the FS SAS will be available at the Foreign Schools Information page on IFAP at http://ifap.ed.gov/ForeignSchoolInfo/ForeignSchoolInfo.html .

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 of data as a result of the collection of this information.

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.

No small businesses are impacted by this collection.

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 collection of this information is necessary to ensure that only institutions that meet all eligibility requirements are authorized to participate and funded and that institutions and students are not receiving aid for which they are not eligible.

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.

This application is consistent with these 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.

A separate 60 and 30 day comment period for the proposed changes was made available to the public. No comments were received during the 60 day comment period.

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

No payments or gifts will be provided to the 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

[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)

there is no expectation of confidentiality, simply state that the Department makes no pledge about the confidentially of the data.

These requirements do not cover any confidential information.

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 Department is not requesting any sensitive data.

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

- 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.

All foreign institutions that wish to participate or to continue to participate in the Title IV, HEA programs will utilize the Foreign School Supplemental Application System (FS SAS) to respond to all pertinent questions and to provide all required documentation along with the information in the e-App. This collection will not include burden for completing the e-App. That burden has been calculated under OMB Control Number 1845-0012.

Generally, a school must submit a recertification application every six years. However, most foreign schools have been approved on a provisional certification and these require reapplication and review every three years. Currently, there are approximately 420 foreign institutions certified to participate in the Title IV, HEA programs. Of these approximately 70 institutions will use the FS SAS as part of their certification/recertification/reinstatement applications prior to the implementation of the IPM System. We estimate an average of 3.5 hours per institution to review the instructions, prepare documents for loading into the system and completing the on-line information.

# of Respondents	# of Responses	Hrs/Response	# of Burden Hrs
Public Institutions			
54	54	3.5	189
Private Institutions			
15	15	3.5	52.5
For-Profit Institutions			
1	1	3.5	3.5
Total			
# of Respondents	# of Responses		# of Burden Hrs
70	70		245.0

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	:	$ 0.00
Total Annual Costs (O&M)	:	$8,023.75
Total Annualized Costs Requested	:	$8,023.75

There is no start-up cost associated with the FS SAS. Foreign schools will use standard computers and internet access to utilize the system. The system does not require special equipment and is provided free of charge to participants by the U.S. Department of Education. We estimate that the cost rate for the staff that will use the FS SAS will be $32.75 per hours times the 3.5 hours to complete the form times the estimated 70 institutions equaling a total annual cost of $8,023.75.

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 estimated cost to the Federal government to implement the FS SAS is estimated at $200,000.

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).

This is a new collection based on agency action to allow for improved collection of required foreign schools eligibility information through the use of the Foreign School Supplemental Application System. The new estimated burden of 245 hours is based on 70 responses times 3.5 hours per response.

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 results of the information collection will not be published.

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 Department is not seeking this approval.

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

The Department is not requesting any exceptions to the “Certification of Paperwork Reduction Act Submissions”.