

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 section¹. 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 request is for approval of an extension of the reporting requirements currently located in the Student Assistance General Provisions, 34 CFR 668, Subpart I. This subpart governs the Immigration-Status Confirmation, as authorized by section 484(g) of the Higher Education Act of 1965, as amended (HEA) (20 U.S.C. 1091). The regulations can be reviewed at <http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&sid=fdd03bd111d27c5bdb9def18df0446b8&rgn=div6&view=text&node=34:3.1.3.1.34.9&idno=34>

This collection updates the usage by individuals and schools. This is necessary to determine eligibility to receive program benefits and to prevent fraud and abuse of program funds.

The regulations in 668.133 requires when an institution must have a student produce documentation that supports their status as an eligible noncitizen as provided by the U.S. Department of Homeland Security's (DHS) office of Citizenship and Immigration Services (USCIS) and request DHS secondary confirmation of such eligibility through the use of the G-845 form if the student's Title IV output document requires that confirmation or when confirmation is provided by DHS-USCIS, but the institution has conflicting information about the student's status.

The regulations in 668.134 require an institution to have written policies and procedures for requesting proof from students and getting confirmation of eligibility for Title IV funds. The regulations also specify that the institution provide in writing to each student required to undergo secondary confirmation a clear explanation of the documents that must be submitted for eligibility confirmation as well as a clear explanation of the student's responsibilities including deadlines and consequences of failing to complete the required actions.

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

The regulations in 668.135 require an institution to have procedures for completing the manual secondary confirmation of eligibility for Title IV funds for eligible noncitizens that did not have their eligibility determined through the automated confirmation process. While the regulation discusses the completion of the G-845, the burden estimate here is limited to the copying of the supporting documents to be submitted with the G-845. It does not include the burden assessment already calculated by DHS USCIS.

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.

Collection of the information enables the Secretary to determine if a noncitizen applicant for Title IV, HEA benefits is an eligible student as defined in section 484(a)(5) of the HEA. The ability to make this determination reduces the potential for fraud and abuse in the Title IV, HEA programs caused by ineligible aliens receiving Federal student financial assistance. By reducing the potential for fraud and abuse, the Secretary is better able to safeguard Federal student financial aid dollars for the intended purpose of providing educational opportunities to U.S. citizens or noncitizens with Title IV, HEA eligible immigration credentials.

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 Secretary uses an automated data matching system in conjunction with the Department of Homeland Security's (DHS) office of Citizenship and Immigration Services (USCIS) to electronically confirm the eligible noncitizen status of a noncitizen applicant for Title IV, HEA benefits. The data matching system is operated in full compliance with the Computer Matching and Privacy Protection Act of 1988 (CMPPA), as amended in order to prevent fraud and abuse. As required by the CMPPA, applicants with immigration statuses that are not confirmed as eligible noncitizens by the data matching system are not presumed to be ineligible and are instead, subject to a secondary automated confirmation process within USCIS. In those limited cases where confirmation is not achieved after the automated secondary confirmation, the noncitizen applicant is subject to a manual secondary confirmation process requiring the institution to request written confirmation from USCIS through the submission of a G-845 Form (as provided by USCIS), along with copies of the student's immigration status documentation that has been already provided to the institution by the applicant. The elements of this manual process (except for the completion and submission of the G-845 form, which is approved under OMB 1615-0101 through the U.S. Department of Homeland Security), which we refer to as manual secondary confirmation, constitutes the information collection for which we are requesting approval.

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 records or similar information already available for use by institutions.

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.

The information collected does not involve small business entities.

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.

If this information is not collected or is collected less frequently, the potential for fraud and abuse increases. Also, section 484(g)(1) provides that the Secretary will verify applicant claims of citizenship or eligible noncitizen status prior to awarding grants, loans or work assistance under Title IV of the HEA. The provision precludes the Secretary from employing any procedure that does not verify U.S. citizenship or eligible immigration status of all applicants for Title IV, HEA benefits.

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.

Under 34 CFR 668.135, an institution that receives immigration status documents from a student with an immigration status that was not confirmed using the USCIS/ED data match or the automated secondary confirmation process is required to request written confirmation from the USCIS within 10 business days.

No institution is required to submit more than the original completed G-845 Form and one copy of any USCIS immigration status document(s).

No institution is required to retain immigration status records for more than three years after the end of the award year for which the Title IV, HEA aid was awarded and disbursed.

This information collection does not include a statistical survey or use of a statistical data classification.

This information collection does not include a pledge of confidentiality that is not supported by authority established in statute or regulation, is not supported by disclosure and data security policies consistent with the pledge, or which impedes sharing of data with other agencies.

This information collection does not require respondents to submit proprietary trade secrets or other confidential information.

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.

This information collection is not being submitted in conjunction with a notice of proposed rulemaking. Consultations with members of the financial aid community are made to determine if there are areas of improvement needed in the secondary confirmation process. These consultations have been instrumental in finding ways to increase the percentage of

noncitizen applicants with immigration statuses that are confirmed using the electronic data match and, as a result, to reduce the percentage of applicants requiring manual secondary confirmation. Consultations with the USCIS are conducted approximately twice yearly and more often if needed – these consultations are useful in addressing interagency processing problems and in discussing how new technologies can be employed to perform these functions more efficiently. Automated secondary confirmation as provided by USCIS has significantly reduced the percentage of non-matches that lead to the required data collections and submission of the G-845 Form to USCIS.

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

There is no payment or gift 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 confidentiality of the data.

These requirements do not prescribe any assurance of confidentiality to institutions except as required under the provisions of the CMPPA.

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.

These regulations do not include any questions of a sensitive nature.

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,

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)

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.

Total Current Inventory:

# of Respondents	# of Responses	Burden Hours
4,928	78,848	19,712

Revised Inventory:

Of the 950,817 applications from noncitizen applicants processed in the 2010-2011 award year, 95,554 were not confirmed using the data matches (automatic primary or automatic secondary) and required additional information to confirm Title IV eligibility. The 95,551 are reduced by 25% to 71,666, as the estimated number of students who will begin enrollment and therefore utilize the Pell Grant Program is 75% of non-confirmed applicants.

The 25% or 23,885 possible Pell Grant Program applicants either dropped out of the application process or were not subject to manual secondary confirmation because of the regulatory provisions in 34 CFR 668.133(b) that exempt respondents from this requirement if such confirmation was successfully used to confirm a student's eligible noncitizen status in the previous award year.

Revised Inventory – by affected entity

	# of Respondents	# of Responses	X Hours/ Response	= Burden Hours
Individuals:	71,666	71,666	.08 hours (5 minutes)	= 5,733
For-profit institution:	2,086	26,516	.17 hours (10 min.)	= 4,508
Not-for-profit institution:	1,731	21,500	.17 hours (10 min.)	= 3,655
State, local or Tribal entities	1,892	23,650	.17 hours (10 min.)	= 4,021
Total Revised Inventory	# of Respondents	# of Responses		Burden Hours
	77,375	143,332		17,917

These figures do not include the USCIS calculated burden of 5 minutes for the completion and submission of the G-845 for OMB # 1615-0101.

The annual cost burden attributable to staff is as follows:

$$\begin{array}{r}
 \$5.50 \text{ respondent salary cost } (\$22/\text{hr} \times 15 \text{ min}) \\
 \times \underline{17,914} \text{ estimated annual frequency} \\
 = \$ 98,544
 \end{array}$$

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	
Total Annual Costs (O&M)	: \$ 0.44	Postage
	+ \$ 0.60	Photocopying and student interview
	<u>X 17,917</u>	Estimated annual frequency
Total Annualized Costs Requested:	= \$18,634	Total annual cost to respondents

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.

ED's CPS Processing Costs		
950,817		Records sent to USCIS
<u>X \$0.01</u>		Processing cost per record
= \$9,508		Application processing
ED's Correction Processing Costs		
112,393		No match records
X 0.25		Percent returning as corrections
<u>X .084</u>		Cost per record for history correction reprocessing
= \$2,360		History correction reprocessing
Cost to ED		
\$9,508		Application processing
+ \$2,360		History correction reprocessing
+ \$10,100		Leased phone lines
<u>+ \$45,652</u>		ED administration costs
= \$67,620		Estimated total annual cost to ED

USCIS Costs

\$72,912	Personnel costs including fringe benefits
+ \$33,682	Contractor costs
+ \$51,297	Program funding costs
+ <u>\$28,901</u>	Database matching costs
= \$186,792	Estimated total annual cost to USCIS

Total estimated cost to government is \$254,412.

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 program adjustments are the result of improved matches being performed through USCIS, there are fewer manual secondary confirmations being performed by institutions. So even though the number of participating institution respondents has increased the burden has decreased.

These adjustments also correct the number of respondents to include the burden to students who must present documentation to the school to be included with the G-845 form to complete the confirmation of eligibility to receive Title IV assistance.

	<u># of Respondents</u>	<u># of Responses</u>	<u>Burden Hours</u>
Current Inventory	4,928	78,848	19,712
Revised Inventory	<u>77,375</u>	<u>143,332</u>	<u>17,917</u>
Difference	+72,447	+64,484	-1,795

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.

There are no plans to publish the results of this information 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 Department of Education is not seeking approval not display the expiration date for OMB approval.

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

The Department of Education is not seeking an exception to the certification for Paperwork Reduction Act submissions.