

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 a revision of approval of the disclosure requirements that are contained in the Student Assistance General Provisions regulations – Subpart A - §668.6(b) - Disclosures. Educational programs offered by an institution of higher education consistent with §668.8(c)(3) are programs that are at least a one-academic year training program that leads to a certificate, or other non-degree recognized credential and that prepares a student for gainful employment in a recognized occupation. Similarly, programs offered by a proprietary institution of higher education or by a postsecondary vocational institution of higher education under §668.8(d) must provide undergraduate training that prepares a student for gainful employment in a recognized occupation.

We are not requesting any changes or revisions to the reporting requirements in §668.6(a) Reporting requirements, as included in the initial information collection.

This request for revision of approval is based on the Final Rule published in the Federal Register on October 29, 2010 (75 FR 66832) that is effective July 1, 2011. In that final Federal Register, the Department announced its intention to develop a disclosure form to assist institutions with meeting the provisions of §668.6(b). Subsequent to the publication of the Final Rule, the National Center for Educational Statistics (NCES) has developed a template through which institutions can input much of the required disclosure information which will be combined with data maintained by the Department. Once these two sources of data are combined the information that will comprise the required disclosure will be transmitted to the institution about its gainful employment program. The institution will maintain this required disclosure information on its systems and displayed, using a common format provided by the Department, on the

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

institution's Web site for prospective students to view. The Department does not store this information in any system resident at the Department.

Section 668 - Subpart A – General - Section 668.6 – Reporting and disclosure requirements for programs that prepare students for gainful employment in a recognized occupation. (OMB control number: 1845-0107)

In the final approved regulations §668.6(b) Disclosures, for each program under this section, the institution must provide prospective students with the name of the occupations (by name and its Standard Occupational Classification (SOC) code) that the program prepares students to enter, along with links to occupational profiles on the Department of Labor's Occupational Information Network (O*Net), or Web links to a representative sample of the SOC codes for which its graduates typically find employment. Institutions are also required to disclose on their Web sites information about on-time graduation rates for students completing the program; the cost of tuition and fees for these programs within normal time, the cost of books and supplies, and room and board, if applicable. The institution may include information on other costs, such as transportation and living expenses, but it must provide a Web link, or access to the program cost information the institution makes available under §668.43.

Beginning no later than July 1, 2011, the placement rate for students completing the program, as determined under the institution's accrediting agency or State requirements must be disclosed and identify whether the placement rate was calculated under the accrediting agency or the State's requirements. In lieu of disclosing the accrediting agency or State required placement rates, an institution must disclose the placement rate as determined under a methodology that will be developed by NCES, when that rate is available. Additionally, the institution must separately identify the median loan debt from Title IV, HEA program loans incurred by students and the median loan debt from private loans and institutional financing plans.

For each program, the institution must include the information in §668.6(b) in promotional materials it makes available to prospective students and post this information on its Web site. The information displayed on the institution's Web site must be prominently displayed in a open format that can be retrieved, downloaded, indexed, and searched by commonly use Web search applications. An open format is one that is platform independent, machine readable, and made available to the public without restrictions that would impede the re use of that information.

The Secretary will provide a disclosure template rather than a form that will be accessible to institutions online through the Office of Postsecondary Education's Web site. The disclosure template was developed to provide institutions with a uniform format for the submission and collection of information required under §668.6(b) to be resident on the institution's Web site for each of its gainful employment programs. Institutions will fill in required information from §668.6(b) in the designated sections of the disclosure template and will submit it after completion. Once the institution's information has been captured by the disclosure template, it will subsequently generate a file that

must be saved and posted to the institution's Web site. The file displays the information that institutions have input and information that has been supplied by the Department into the disclosure template in a standard format that can be used by institutions on their Web sites. A list of gainful employment disclosure definitions will be provided in the disclosure template to assist institutions with completing the template successfully.

The data elements on the disclosure template include, but are not limited to: an institution's 6-digit OPEID, a program's 6-digit CIP code, the credential level of the program, program length, total tuition and required fees for the entire program completed in normal time, total estimated costs for books and supplies for the entire program, total annual room and board charges for living on campus, the URL for program cost information on an institution's Web site, the number of students completing the program, the median cumulative federal student loans debt, the median cumulative private loan debt, the median cumulative institutional financing plan debt, information on program completion in normal time, and job placement rate. Institutions will be required to provide additional information regarding their gainful employment program's job placement rate including, but not limited to: who is included in the rate, what type of jobs, the timeframe of when the job placement rate is based, how graduates are tracked, and to what state or accrediting agencies, if any, that rate is reported. These data elements provided by institutions to the Department will meet the disclosure final provisions required in 668.6(b).

Changes

The previous version of the output document included an option for the student to view a listing of other institutions that offer similar programs (based on the CIP code) by selecting a built in link that would allow the prospective student to view the other institutions' name, OPEID number, address and provided a link to their Web sites. This function has been removed by the Department in part due to public comments received during the 60 day comment period.

In response to public comments received during the 60 day comment period, we have corrected grammar, consistency and clarity issues that were raised. We have also strengthened and expanded directions and definitions to improved ease of use.

See the Comment Table for further discussion of the comments received and the impact on the revised template and output documents.

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.

Student Assistance General Provisions:

The Department of Education is responsible for evaluating whether students are receiving training in a recognized occupation where they can be gainfully employed. The information that will be disclosed by institutions for each of their gainful employment programs on the institution's Web site is consistent with the final provisions of this section and will allow the institution and the Department to evaluate the outcomes of programs that lead to gainful employment in a recognized occupation, as well as, inform prospective students.

The information provided by institutions on the disclosure template will be prominently displayed on the institution's Web site and will be accessible to prospective students as a resource. A file will be generated by the Department after an institution has submitted the required information in §668.6(b) and combined with information the Department has on median loan debt, which will then be provided to the institution. Institutions will save the disclosure template as the output document provided by the Department and display it on its Web site and any applicable programmatic Web site to insure a consistent look, which will make data comparison much easier and more effective for prospective students.

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.

Although there are no legal or technical obstacles to the use of technology in this information collection activity, the process for institutions to submit their information to the Department is generally not conducive to any more sophisticated use of technology.

This disclosure of information involves electronic submission of responses and Web technology through the use of the disclosure template that institutions are required to complete and by providing information to prospective students through an institution's Web site. The disclosure template will be hosted online through the Office of Postsecondary Education and will permit institutions to electronically submit their responses and receive information such as, but not limited to CIP codes in a drop-down listing for selection, credential level of programs in a drop-down listing for selection, Standard Occupational Codes (SOC codes) in a drop-down listing for selection.

The information in §668.6(b) that is submitted by institutions using the disclosure template will not be collected and saved by the Department, but instead will be used to capture a "snapshot" of the institution's data submitted at that time. Web technology is incorporated into this template consistent with the requirements of §668.6(b) so institutions can disclose information to students on the institution's Web site. Prospective students will have the ability to compare gainful employment programs at different institutions and to learn what career options are available with each program before enrolling at an institution.

Additionally, the output document will use the schema.org vocabulary, along with the [microdata format](#), to add information to the HTML content that will make it easier for search engine users to locate the information about the programs when searching the Internet.

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 is not duplicated on any other information collection.

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 provisions of 668.6(b) will not have a significant economic impact on a substantial number of small entities. Data from the Integrated Postsecondary Education Data System (IPEDS) indicated that roughly 4,379 institutions participating in the Federal student assistance programs meet the definition of “small entities.”

The U.S. Small Business Administration Size Standards define for-profit institutions as “small businesses” if they are independently owned and operated and not dominant in their field of operation with total annual revenues below \$7,000,000. Non-profit institutions are defined as “small businesses” if they are independently owned and operated and not dominant in their field of operation, or if they are institutions controlled by governmental entities with populations below 50,000.

We have minimized burden on for these and all institutions by providing a format and some of the required data for the regulatory disclosures as well as a template to present the required information to prospective students.

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 disclosure of information about a gainful employment program on the institution’s Web site, including occupation names and SOC codes, links to occupational profiles on O-Net, the on-time graduation rate for students completing the program, program cost information, placement rate information, and the median loan debt incurred by students via the institution’s Web site will provide useful information to prospective students and their families. The intent of the provisions in §668.6(b) are to enable students to make an informed choice about a gainful employment program by making the

disclosures clear, timely, and meaningful. These disclosures will also allow students to make determinations about the amount of student indebtedness is being incurred by students who complete the gainful employment program, the average amount of the cost of attendance, normal completion time, and job placement data.

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 connected to this collection.

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.

In addition to responding to public comment received during the rulemaking process, the Department has published the applicable 60 day and 30 day notices inviting public comment, 75 FR 34806 and 75 FR 66832.

In early 2011, NCES contracted to conduct focus groups using a draft template and disclosure format. These focus groups included students currently enrolled in programs that meet the definition of gainful employment programs, as well as representatives of institutions that offer gainful employment programs. The comments obtained have been used to establish this format as well as provided for useful insight into the type of instructions that are being provided to complete the disclosure template.

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

There are no payments or gifts 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.

There is no assurance of confidentiality provided to institutions for the submission of this 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.

There are no questions of a sensitive nature in this application.

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)

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.

Section 668.6 – Reporting and disclosure requirements for programs that prepare students for gainful employment in a recognized occupation.

Section 668.6(b): Under §668.6(b), for each program offered by an institution in this section, the institution must disclose to each prospective student, the name of each program and its Standard Occupational Classification (SOC) code, along with links to occupational profile information as reported on the Department of Labor’s Occupational Information Network (O*Net), or Web links to a representative sample of the SOC codes for which the institution’s graduates typically find employment after completion of their program of study that prepared them for gainful employment.

In addition, institutions are required to disclose on their Web sites information about on-time graduation rates for students completing the program, the total amount of tuition and fees it charges a student for completing the program within the normal time it takes a student to complete all the program requirements, (as published in the institution’s catalog), and the typical costs for books and supplies and room and board, if applicable. The institution may include other information about other costs, but it must provide a

Web link, or access to the program cost information where the institution makes available its accreditation, approval or licensing information to all enrolled or prospective students.

Beginning no later than July 1, 2011, the institution must disclose the placement rate for students completing the program, as determined under the institution's accrediting agency or State requirements. In lieu of the disclosure of placement rate information, the institution will disclose its placement rate once a methodology is developed by NCES and the rate is made available to the institution. The NCES placement rate methodology has not yet been established.

The institution is required to disclose the median debt incurred by students who completed the program, as provided by the Secretary, as well as any other information the Secretary provided to the institution about that program. The institution must identify separately the median loan debt from Title IV, HEA program loans, and the median loan debt from private educational loans and institutional financing plans.

For each occupational program, the institution must include these disclosures in its promotional materials it makes available to prospective students and post the information on its Web site.

AFFECTED ENTITIES and BURDEN:

Now that NCES has established the fundamental design of the disclosure template, we have determined that there is burden that will impact individuals (prospective students) that was not assessed in the October 29, 2010 Final Regulation. Prospective students will be reading these programmatic disclosure templates thus we have indicated our assessment of the associated burden to individuals below.

Individuals:

We estimate that there are 51,704 gainful employment programs that will require disclosure consistent with the requirements of §668.6(b). We estimate that 1,996,593 students will be enrolled at proprietary institutions in gainful employment programs. On average, we estimate that it will take a student 10 minutes (.17 hours) to read the disclosures provided by the institution for a total of 339,421 hours of increased burden in OMB Control Number 1845-0107.

We estimate that 161,308 students will be enrolled at private nonprofit institutions in gainful employment programs. On average, we estimate that it will take a student 10 minutes (.17 hours) to read the disclosures provided by the institution for a total of 27,422 hours of increased burden in OMB Control Number 1845-0107.

We estimate that 1,342,097 students will be enrolled at public institutions in gainful employment programs. On average, we estimate that it will take a student 10 minutes (.17 hours) to read the disclosures provided by the institution for a total of 228,156 hours of increased burden in OMB Control Number 1845-0107

Collectively, under §668.6(b), we estimate that it will take 3,499,998 affected students a total of 594,999 hours of increased burden in OMB Control Number 1845-0107 to read the disclosures provided by the institution.

Also, now that NCES has established the fundamental design of the disclosure template, we have determined that there is a change in the burden that was assessed in the October 29, 2010 Final Regulation. After having an opportunity to test the process that institutions will use to create the programmatic disclosure template for each gainful employment program a decrease in burden has been calculated.

Institutions:

We estimate that there are 16,313 gainful employment programs at proprietary institutions that must comply with these disclosure requirements. On average, we estimate that it will take institutional staff 8 minutes (.13 hours) per program to complete the disclosure template as provided by the Department and disclose this information on the institution's Web site for a total of 2,121 hours of increased burden in OMB Control Number 1845-0107.

We estimate that there are 4,719 gainful employment programs at private nonprofit institutions that must comply with these disclosure requirements. On average, we estimate that it will take institutional staff 8 minutes (.13 hours) per program to complete the disclosure template as provided by the Department and disclose this information on the institution's Web site for a total of 613 hours of increased burden in OMB Control Number 1845-0107.

We estimate that there are 30,672 gainful employment programs at public institutions that must comply with these disclosure requirements. On average, we estimate that it will take institutional staff 8 minutes (.13 hours) per program to complete the disclosure template as provided by the Department and disclose this information on the institution's Web site for a total of 3,987 hours of increased burden in OMB Control Number 1845-0107.

Collectively, under §688.6(b), we estimate that it will take institutional staff a total of 6,721 hours of increased burden in OMB Control Number 1845-0107 to complete the Department's gainful employment template and disclose this information on the institution's Web site.

Revised burden calculations for Section 668.6(b) – Disclosures:

	# of Respondents	# of Responses	# of Burden
Hours:			
INDIVIDUALS:	3,499,998	3,499,998	594,999
INSTITUTIONS			
Proprietary:	1,950	16,313	2,121
Private Non-Profit:	1,736	4,719	613
Public:	<u>1,915</u>	<u>30,672</u>	<u>3,987</u>
Institution Sub-total:	5,601	51,704	6,721
Revised Total for Disclosures:	3,505,599	3,551,702	601,720

The previous institutional burden hours were assessed at 8,402 but the newly assessed institutional burden hours are 6,721, a net decrease of 1,681.

Changes to burden calculations for Section 668.6(b) - Disclosures:

	# of Respondents	# of Responses	# Hrs Burden
Current Inventory:	16,280,530	16,280,530	677,160
New Burden Inventory			
Individuals:	3,499,999	3,499,998	594,999
Institution:			
Proprietary			-530
Private Non Profit			-153
Public			<u>-998</u>
Net decrease from previous burden assessment			-1,681
Revised Inventory:	19,780,528	19,780,528	1,270,478

Attached is a mock-up of the information collection disclosure template, the output document to be displayed on the institution's Web site and an explanation of data elements.

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 : _____
Total Annual Costs (O&M) : _____
Total Annualized Costs Requested : _____

No costs have been associated with this revision.

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 estimate of annualized cost to the Federal government is \$50,000 per year. The cost was provided as a contract estimate from the Office of Postsecondary Education.

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 revised collection package and there is a new amount of burden in addition to the current inventory. The burden change of 601,720 hours and 3,505,599 responses are due to program changes.

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.

This information 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.

ED is not seeking this approval. The OMB expiration dates will be displayed in the Federal Register once approved.

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

There are no exceptions to the certification.