

**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 copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The purpose of this collection is to solicit applications for Performance Partnership Pilots (P3) authority and start-up grant funds. The Consolidated Appropriations Act, 2014 (Public Law 113-76) (the Act), under Section 526 of Division H, authorizes the Departments of Education, Labor, and Health and Human Services, along with the Corporation for National and Community Service and the Institute of Museum and Library Services (collectively, the Agencies), to enter into a total of up to ten Performance Partnership Agreements with States, localities, or tribal governments receiving funds under multiple Federal programs that give grantees additional flexibility in using these funds to achieve significant improvement in outcomes for disconnected youth.

Under the Act, States, localities, and tribes that enter into a P3 agreement may blend fiscal year (FY) 2014 discretionary funds, including both formula and competitive grant funds, from the Agencies in order to implement outcome-focused strategies for serving disconnected youth. This blending of funds, including individual funding streams, or portions of them, will be accomplished under a partnership agreement that will provide for a single set of reporting and other requirements to govern the pilot. In order to provide applicants with the flexibility required to implement a pilot through the effective blending of Federal and non-Federal funds, the Act also provides that the Agencies may waive requirements associated with individual programs contributing funds. P3 authority states that heads of the Agencies may not only exercise any existing waiver authority, but also waive any statutory, regulatory, or administrative requirement that they are otherwise not authorized to waive, so long as the waiver is in keeping with important safeguards. Specifically, waivers must be consistent with the statutory purposes of the respective Federal programs contributing funds to the pilot and necessary to achieve the pilot's outcomes. In addition, the Agencies may not waive requirements related to nondiscrimination, wage and labor standards, and allocation of funds to State and substate levels.

Before any of the Agencies can participate in a Performance Partnership Pilot, the agency head must determine, in writing, that the agency's participation in the pilot (1) will not result in denying or restricting the eligibility of any individual for any of the services that (in whole or in part) are supported by the agency's programs and Federal discretionary funds that are involved in the Pilot, and (2) based on the best available information, will not otherwise adversely affect vulnerable populations that receive those services.

In addition, the Agencies have identified flexible FY 2014 funds under existing authorities that the Department will award as start-up grants to entities with which partnership grants will be established. These grants will help to support each pilot's start-up costs, such as activities related to planning, governance, and coordination.

**2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

The information will be used in several ways. First, it will be used by peer reviewers and the Department to assess the extent to which an applicant meets the priorities, requirements, and selection criteria of the P3 grant program competition. The Department will generate a rank-order list of applications based on the average scores awarded by peer reviewers. The information provided in the top-ranked applications will then be assessed by the Agencies to determine whether the waivers sought by these applicants may be granted under the Act. Once the entities with which agreements will be established are identified, the information will be used to inform the development of these performance agreements. In addition, the Agencies will use the information obtained through this collection to prepare summaries of the projects that will be carried out by entities awarded start-up funds and P3 authority for dissemination to members of Congress and the general public. Finally, the Agencies will use this information to monitor the progress of each entity awarded P3 authority.

This is a new collection; the information sought by this collection has never been collected before.

**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 of using information technology to reduce burden.**

Applicants will be required to submit their applications electronically through Grants.gov.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use of the purposes described in Item 2 above.**

This is a new collection for a newly-established authority. It does not duplicate any other collection.

**5. If the collection of information impacts small businesses or other small entities (Item 8b of IC Data Part 2), describe any methods used to minimize burden.**

Small entities that may apply for the P3 authority and grant funds include local governments from rural areas and small towns and Indian tribes. The requirement that applications be

submitted electronically reduces the burden and cost of submitting an application for these entities and other applicants.

**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 Agencies would be unable to implement the P3 authority established by the Act if this collection is not carried out.

**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 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.**

None of the special circumstances listed above apply. This collection is consistent with 5 CFR 1320.5(d)(2).

**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 instruction and record keeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.**

**Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years – even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.**

The Agencies consider public input critical to the effective implementation of the P3 authority. In June 2012, the Department published a Request for Information on Disconnected Youth in the *Federal Register* (77 FR 32959) (RFI) seeking public input regarding the implementation of the authority, which was first proposed by the Administration in the FY 2013 budget request. The 171 comments the Department received in response to the RFI emphasized the need for greater flexibility, highlighted promising initiatives, and offered recommendations for effectively serving disconnected youth and administering P3. The responses helped inform our thinking about how best to implement this new authority.

On April 28, 2014, the Agencies issued a consultation paper, *Changing the Odds for Disconnected Youth: Initial Design Considerations for Performance Partnership Pilots*, that provides background information about the pilot authority and describes the Agencies' initial thinking about the implementation of the authority. The paper also encouraged stakeholders to respond by email to key questions about implementing P3 pilots. The Agencies also used their research and analysis for the paper to guide two national webinars on April 21 and 30, 2014 that provided information to the field and solicited feedback about the implementation of the authority.

In addition, on July 31, 2014, ED published a notice in the *Federal Register* that invited public comment on the application process for P3 (79 FR 44436). ED sought comments on the following three questions:

1. What information, in addition to the information required by the Act, should entities be required to submit in their applications?
2. What criteria should the Agencies use to evaluate applications?
3. What technical assistance would be helpful to entities in preparing their applications?

ED received eight responses to the notice. The draft NIA is responsive to a number of the comments we received. For example—

- National Initiatives on Poverty and Economic Opportunity recommended that applicants be required to describe how they will engage employers and to demonstrate that they will have access to administrative data that can be used to manage the services and activities and track progress. Selection criterion (E)(2) evaluates the extent to which projects that include job training strategies have engaged employers in the identification of skills and competencies needed by employers, the development of the curriculum, and the offering of work-based learning opportunities, including pre-apprenticeship and registered apprenticeship. Selection criterion (F)(1) evaluates the extent to which the applicant demonstrates the capacity to collect, analyze, and use data for decision-making, learning, continuous improvement, and accountability purposes.
- The Institute for Youth, Education, and Families at the National League of Cities commented that the agencies should give priority to projects that are likely to achieve significant improvements in the outcomes of disconnected youth and projects that will replicate evidence-based approaches. Selection criterion (C)(1) evaluates the extent to which the applicant “presents a clear and logical plan that is likely to improve outcomes significantly for the target population,” while section criterion (C)(2) evaluates the extent to which the project “will use evidence-based and evidence-informed interventions.”
- The Wisconsin Department of Workforce Development recommended that the notice require submission of a logic model, “clear and measurable goals,” and signed letters of participation from all agency partners; all of these are requirements in the draft notice.

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

Respondents will not be provided any payments or gifts for data collection.

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

The Department is not requesting any confidential information, so no assurances of confidentiality are necessary.

**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.

**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 16 of IC Data Part 1.**

- **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 not be included in Item 14.**

The Department anticipates that 65 entities will submit applications for P3 authority and start-up grant funds and that preparing these applications will take each applicant, on average, 80 hours at a cost of \$43 per hour (i.e., an hourly rate equivalent to that of a GS-13). The Department thus estimates the total number of hours for all respondents to prepare applications to be 5,200 hours and the total annual cost of doing so to be \$223,600.

The Administration has requested additional P3 authority in the FY 2015 budget. Therefore, in estimating the total burden hours and costs, the Department assumed that the Agencies would hold another P3 competition in 2015 and that this second solicitation also would receive 65 applications. The Department thus estimates that applicants, in aggregate, will spend a total of 10,400 hours preparing applications at a total cost of \$447,200 over the course of the next two years.

**Applicant Burden Estimates**

<b>Year</b>	<b>Number of Applicants</b>	<b>Hours/Activity</b>	<b>Hours</b>	<b>Cost/Hour (GS-13)</b>	<b>Cost</b>
2014	65	80	5,200	\$43	\$223,600
2015	65	80	5,200	\$43	\$223,600
<b>TOTAL</b>	<b>130</b>	<b>160</b>	<b>10,400</b>	<b>\$43</b>	<b>\$447,200</b>

**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 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.**

**Total Annualized Capital/Startup Cost : \$ .00**

**Total Annual Costs (O&M) : .00**

**Total Annualized Costs Requested : \$ .00**

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There are no start-up costs for this collection.

**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 Federal costs will involve providing technical assistance to prospective applicants, screening the applications, carrying out the peer review of applications, assessing the merits of the waivers sought by the top-ranked applicants, and negotiating performance agreements.

The Department estimates that conducting these activities will require the following for each of the two years that competitions will be carried out:

- Grade 12: 480 hours at \$36.23/hour = \$17,390
- Grade 13: 320 hours at \$43.09/hour = \$13,789
- Grade 14: 320 hours at \$50.92/hour = \$16,294
- Grade 15: 200 hours at \$59.89/hour= \$11,978

ANNUAL TOTAL= \$59,452

The total cost to the Government over the course of two years is thus anticipated to be \$118,903.

**15. Explain the reasons for any program changes or adjustments to #16f of the IC Data Part 1 Form.**

This is a new collection.

**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 Department expects to publish on its website the applications of the entities with which performance agreements are established.

**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 will be displayed on the form.

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

There are no exceptions to the certification statement identified in the “Certification for Paperwork Reduction Act Submissions” Form.