

**SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT RENEWAL
CONCERNING STATE EDUCATIONAL AGENCIES' PROCEDURES FOR
ADJUSTING DEPARTMENT OF EDUCATION-DETERMINED TITLE I, PART A
ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES (1810-0622)**

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.*

We are requesting a three-year extension of the current paperwork clearance package (OMB number 1810-0622) related to State educational agency (SEA) procedures for adjusting Title I, Part A local educational agency (LEA) allocations determined by the U.S. Department of Education (ED). The current package expires November 30, 2014.

Title I, Part A of the Elementary and Secondary Education Act of 1965, as amended (ESEA), requires ED to allocate Basic Grants, Concentration Grants, Targeted Grants, and Education Finance Incentive Grants directly to LEAs. (See sections 1124(a)(2), 1124A(a), 1125(a), (b), and (c)(2), and 1125A(c) and (d)(1)((B), (2)(B), and (3)(B) of the statute at <http://www.ed.gov/policy/elsec/leg/esea02/107-110.pdf>.) Title I, Part A allocations are based primarily on poverty data provided by the Census Bureau and reflect a national list of LEAs that is several years out of date. For example, the list of LEAs used for calculating school year (SY) 2014-2015 allocations is based on LEAs that existed in SY 2011-2012. Because the list of LEAs used by ED in determining LEA allocations does not match the current universe of LEAs in many States, SEAs must adjust ED's allocations to account for district boundary changes and newly-created LEAs that are legitimately eligible for Title I, Part A funds but did not receive an allocation under ED calculations.

In addition, SEAs must adjust ED allocations to—

- Reserve funds for school improvement (authorized in section 1003 of ESEA), State administration (section 1004), and the State academic achievement awards program (section 1117(c)(2)(A)); and
- Allow, for SEAs approved by ED to do so, the use of alternative data to redistribute ED-determined Title I, Part A allocations among “small” LEAs with less than 20,000 total residents.

The provisions in §§200.70 through 200.75 and §200.100 of the Title I regulations (34 CFR, Part 200) address the procedures an SEA must follow when adjusting our allocations. (The regulations concerning allocations to LEAs are available at: <http://www.ed.gov/legislation/FedRegister/finrule/2002-4/120202a.pdf>.)

The statutory requirement for ED to allocate Title I, Part A funds directly to LEAs went into effect in 1999 with the Improving America's Schools Act amendments to ESEA. ED first issued guidance in June 1999 to provide directions to SEAs on how to adjust ED-determined Title I, Part A allocations in order to account for boundary changes and the creation of new LEAs, to redistribute Title I, Part A funds for small LEAs using alternative poverty data, and to reserve funds for school improvement and State administration activities. ED then issued the regulations cited in the prior paragraph in December 2002 after passage of the current ESEA authorization and later released updated guidance in May 2003. (The guidance is available at:

<http://www.ed.gov/programs/titleiparta/seaguidanceforadjustingallocations.doc>.)

These regulations and guidance remain in effect and have not been revised.

At the time ED first developed its 1999 guidance, the Office of Management and Budget (OMB) approved clearance package 1810-0622, which estimated the SEA burden hours connected with this process. The clearance package was renewed in October 2002, 2005, 2008, and 2011. This clearance package would extend the currently approved package for three more years with no change in the current burden hour estimate.

Note that there is no collection of data by ED associated with §§200.70 through 200.75 and §200.100 of the regulations. This narrative addresses only the burden associated with the actual procedures an SEA must follow when adjusting ED-determined LEA allocations.

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.*

In order to enable an SEA to determine final LEA allocations, the regulations and guidance provide directions on how an SEA adjusts ED-determined Title I, Part A allocations to account for district boundary changes and the creation of new LEAs to reserve funds for school improvement, State administration, and the State academic achievement awards program, and to use alternative data for small LEAs. The regulations address issues such as:

- Determining numbers of Title I formula children and eligibility of LEAs not on the list of LEAs provided by the Census Bureau that ED used to determine school district allocations.
- Establishing initial allocations for all eligible LEAs (including those not on the Census list) within the State and making adjustments.

- Reserving funds for school improvement, State administration, and the State academic achievement awards program; and
 - Determining final allocations for all eligible LEAs, including those not on the Census list used by ED.
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 to adopt this means of collection. Also describe any consideration of using information technology to reduce burden.*

The statute and regulations neither require nor preclude SEAs from using information technology to reduce burden. In the past, SEAs have used electronic technology to make the adjustments outlined in the regulations.

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.

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.*

There is no data collection involved. The provisions in §§200.70 – 200.75 and §200.100 of the regulations do not affect small businesses. They apply only to SEAs and concern procedures SEAs must follow to adjust ED-determined LEA allocations. SEAs must make these adjustments in order to ensure that all eligible LEAs receive the Title I, Part A funds to which they are entitled.

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.*

This clearance package addresses the burden on SEAs to implement the provisions of §§200.70 – 200.75 and §200.100 of the regulations and involves no data collection. These regulations are needed to provide guidance to SEAs on adjustment procedures to follow in order to ensure that eligible LEAs that are not included in ED's allocation calculations will receive the Title I, Part A allocations to which they are entitled. The regulations have not changed since 2011, when this clearance package was last renewed.

7. *Explain any special circumstance that would cause an information collection to be conducted in a manner--*
- *requiring respondents to report information to the agency more often than quarterly;*
 - *requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;*
 - *requiring respondents to submit more than an original and two copies of any document;*
 - *requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;*
 - *in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;*
 - *requiring the use of a statistical data classification that has not been reviewed and approved by OMB;*
 - *that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or*
 - *requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.*

The requirements in the regulations are consistent with the guidelines in 5 CFR 1320.5. None of the special circumstances outlined in the supporting statement instructions apply.

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.

A 60-and 30-day Federal Register Notice was published, ED received no public comments 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.*

Not applicable. No payment is involved because SEAs are not required to provide data or information to ED.

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

Not applicable. The statute and regulations require no assurance of confidentiality, there are no assurances of confidentiality.

11. *Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.*

The statute and regulations do not involve any questions of a sensitive nature.

12. *Provide estimates of the hour burden of the collection of information.*

The estimated burden and cost to the 52 SEAs to follow the steps outlined in §§200.70 – 200.75 and §200.100 of the regulations is 2080 annual hours at a cost of \$62,400. This assumes that on average 52 SEAs will require 40 hours of work to carry out these procedures. The cost per hour would average \$30. (See the appendix for a more detailed breakout of the hours.)

The amount of effort varies by SEA. For example, Hawaii and Puerto Rico have only one LEA, and 15 other SEAs have had very few, if any, changes to their LEAs since SY 2011-2012 because their LEAs correspond closely to counties or other fixed jurisdictions. Consequently, the SEAs in these States will have very little additional work because they can use the ED-determined allocations with very few adjustments. In contrast, States such as Arizona, California, Massachusetts, Michigan, Minnesota, North Carolina, Ohio, and Texas will likely have significant changes in their LEAs since SY 2011-2012 primarily because of the creation of public charter schools, which these States consider LEAs. Their adjustments will take more time to complete than those by other SEAs.

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.*

There are no start-up costs beyond those provided in numbers 12 and 14. SEAs have made the kinds of adjustments outlined in §§200.70 – 200.75 and §200.100 of the regulations since 1999 and have the staff in place to address issues concerning the allocation of Title I, Part A and other Federal education funds.

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 time and effort required to provide technical assistance concerning the implementation of §§200.70 – 200.75 and §200.100 of the regulations are part of normal staff functions within ED. An estimate of the GS 14 staff hours and cost to provide technical assistance to SEAs in their implementation of these provisions follows:

No. of hours	300
X Cost per hour	<u>\$60</u>
	\$18,000

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

There are no program changes or adjustments to the current burden hours estimate associated with implementing §§200.70 – 200.75 and §200.100 of the regulations. Therefore, an extension of this clearance package would not add any more burden hours to OMB’s current inventory for this activity.

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.*

Not applicable because there is no collection of information.

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 proposed display of the OMB expiration date for data collection is not applicable because ED is not collecting any information. The SEA would collect any data needed to implement §§200.70 – 200.75 and §200.100 of the regulations. The SEA is not required to submit data collected for this purpose to ED.

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

Paperwork Reduction Act.

There are no proposed exceptions to the certification statement of OMB Form 83-1.

B. Collection of Information Employing Statistical Methods

These regulations do not employ statistical methods.

APPENDIX

ESTIMATE OF HOURS

SEA estimate

Number of SEAs	52	
X Time needed for SEA to implement procedures for adjusting ED-determined allocations and make final Title I, Part A LEA allocations	<u>40</u>	hours
	2,080	
<u>Total respondent hours</u>	2,080	hours
X Cost rate	<u>\$30</u>	
	\$62,400	

Average burden hours per respondent

Person hours required nationally for SEAs to implement procedures for adjusting ED-determined allocations and make final Title I, Part A LEA allocations	2,080	hours
÷ Number of respondents	52	
= Average burden hours per respondent	40	hours

Federal Level

GS 14 Person hours	300	hours
X Cost rate	<u>\$60</u>	
	\$18,000	