

# **SUPPORTING STATEMENT**

## **FOR PAPERWORK REDUCTION ACT SUBMISSION**

**OMB No. 1810-0687**

### **Impact Aid Program – Application for Section 8003 Assistance**

#### **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 U.S. Department of Education is requesting approval for the Application for Assistance under Section 8003 of Title VIII of the Elementary and Secondary Education Act (ESEA) as amended by No Child Left Behind (NCLB). This application is for a grant program otherwise known as Impact Aid Basic Support Payments. Local Educational Agencies (LEAs) whose enrollments and revenues are adversely impacted by Federal activities use this form to request financial assistance. Regulations for the Impact Aid Program are found at 34 CFR 222.

The statute and regulations for this program require a variety of data from applicants annually to determine eligibility for the grants and the amount of grant payment under the statutory formula. The least burdensome method of collecting this required information is for each applicant to submit these data through a web-based electronic application hosted on the Department of Education's G5 website.

This application is approved under OMB 1810-0687, and is attached to a proposed rule under 1810-AB24 which will cause a substantive change to the annual burden for this application. The Department of Education is requesting renewal of its three-year clearance under the same collection number, with the proposed regulations.

**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 Impact Aid Program, authorized by Title VIII of the Elementary and Secondary Education Act (ESEA), provides financial assistance to local educational agencies (LEAs) whose enrollment or revenues are adversely affected by Federal activities.

The statute and implementing regulations (34 CFR Part 222) require information from applicants annually to determine eligibility for and the amount of payments. The least burdensome method of collecting this required information is for each applicant to submit it as part of its annual Impact Aid application, previously approved under OMB 1810-0687.

ED is now requesting renewal of its three-year clearance under this regular collection. There are no substantive changes to this previously-approved collection; however, there are two minor revisions.

One change would require LEAs requesting funding as a heavily impacted LEA to submit a tax rate certification form at the time of application. This form has been added to the collection for consideration and approval. One other change relates to an additional assurance for LEAs that claim children residing on Indian lands. This does not require any additional submissions with the data collection.

**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.**

Impact Aid Program Section 8003 applications are prepared and submitted through an electronic application system. E-application offers recurring LEA applicants significant advantages in preparing the application because it pre-populates the e-application with much of the LEA's identifying information and Federal property codes. The e-application automatically checks for completion of all necessary items and includes arithmetic checks for table subtotals and the application total. This software reduces the number of errors in applications submitted to ED.

The e-application is used only by LEAs to submit their Section 8003 applications, not by the respondents to the LEAs. As a result, the percentage of responses collected electronically is less than one percent.

**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.**

The information requested under these collections is not duplicated in any other data collection, is unique to this program and the particular applicants, and is intended to serve specific purposes mandated by the statute.

**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 businesses are not impacted by this data collection.

**6. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

The statute requires applicants to apply for funds annually and authorizes the payment of funds based upon those annual applications. Without the annual information, the Department would not be able to disburse these funds efficiently and accurately. In addition, some information collected through the application is used to monitor that recipient LEAs are meeting statutory requirements.

**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.

The regulations do not require the information collection to be conducted in a manner inconsistent with the requirements of 5 CFR 1320.5.

**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 Department has published a proposed rule with data collection requirements under 1810-AB24 in the Federal Register on December 30, 2015 with comments ending on February 16, 2016.

The Impact Aid Program Director regularly consults formally and informally with applicant LEAs, as well as with the leaders of the National Association for Federally Impacted Schools (NAFIS), the National Council of Impacted Schools (NCIS), the National Indian Impacted Schools Association, and the Military

Impacted Schools Association. These consultations have yielded insight into the difficulties that school officials may have in completing the applications. The Department attempts to mitigate these problems whenever possible.

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

The information collection does not require gifts or payments to be made to respondents.

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

The information collection requires no assurance 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. The justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

The information collection does 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, 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 be included in Item 14.**

As presented in greater detail below, we estimate that it will require 82.8<sup>1</sup> hours per LEA applicant to collect, organize and prepare the application for Impact Aid Section 8003 assistance. This includes the burden hours for approximately half of the LEAs that contact a local Federal official to collect residence information related to the collection of source check data as well as the 15 minutes per parent

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<sup>1</sup> There are a total of 104,720 burden hours that includes both the time that it takes the LEA to collect, analyze, and report the data as well as the time it takes respondents to complete survey forms or officials to certify source check documents. (104,720 total hours ÷ 1,264 LEAs = 82.8).

respondent to fill out the survey required by the LEA to complete the application.

These estimates were developed by program staff with prior experience in the administration of the Impact Aid Program. The summary tables contain a fuller explanation of the calculations.

**Annual Burden Hours**

By regulatory section or subsection	Total Annual Burden Hours
34 CFR 222.35, 34 CFR 222.50-52 Tables 1-5	103,126
34 CFR 222.37, Table 6	100
34 CFR 222.53 Table 7	217
34 CFR 222.141-143 Table 8	5
Table 10 -Reporting Construction Expenditures	40
Housing Official Certification Form	5
Indian Policies and Procedures (IPPs)	187
IPP Written Responses	1,040
<b>TOTAL</b>	<b>104,720</b>
Average Burden Hours Per Applicant	82.8

**Annual Task: Counting and Reporting Numbers of Federally-Connected Children on Tables 1-5**

Data Collection Task	Respondents	Average Hours per Respondent	Total Hours	Explanation
Parent-pupil survey	355,000 parents	0.25	88,750	Assumes 355,000 federally-connected children identified through a survey form completed by a parent.
Source check with Federal official to document children living on Federal property	1000 LEAs	3	3,000	Assumes 1000 officials with information on the residence status of federally-connected children complete a source check
Collecting and organizing data to report on Tables 1-5	1,264 LEAs	9	11,376	Assumes time to complete and organize survey/source check data on federally-connected children averages nine hours
<b>Total</b>			<b>103,126</b>	



**Additional LEA Annual Reporting Tasks - Tables 6-10 and Supplemental Forms**

Task	Respondents <sup>2</sup>	Average Hours per Respondent	Total Hours	Explanation
Reporting enrollment and attendance data on Table 6	100 LEAs	1	100	Assumes each applicant uses data already collected and reported to its state education agency. 35 States now have an average attendance rate, so LEAs in those States no longer are required to report ADA data on Table 6. New proposed regulations would make this option available to all States. The program projects that approximately 100 LEA will use alternative methods to reach a higher average daily attendance number after the implementation of the new regulations.
Collecting and reporting expenditure data for federally-connected children with disabilities on Table 7	868 LEAs	.25	217	The burden hours in the previous collection were duplicated here and on Tables 1-5. The removal of the duplication reduces the total burden hours by 1,569.
Reporting children educated in federally-owned school buildings on Table 8	5 LEAs	1	5	Assumes applicants maintain data on children housed in the small number of schools owned by ED but operated by LEAs
Reporting expenditures of Section 8007 funds on Table 10	159 LEAs	0.25	40	Assumes these applicants have ready access to financial reports to retrieve and report these data
Indian Policies and Procedures (IPPs)	625	.3	187	The LEA does not have to collect any new information to meet this requirement, so the time associated with this form post-regulatory change would be approximately 20

<sup>2</sup> FY 2014 application cycle.

				minutes per applicant)
LEA Response to Comments and Recommendations from IPP Process	800	0	1.3	1,040
Contact Form for Housing Undergoing Renovation or Rebuilding	10	10	0	The LEA does not have to collect any new information to meet this requirement, so the time associated with this form is too small to calculate (<5 minutes per applicant)
Housing Official Certification Form	10	.50	5	Amount of time for the housing official to estimate the number of school-age children that would have resided in the housing had it not been unavailable due to renovation or rebuilding



**Estimates of annualized cost to respondents:**

Respondent	Rate \$/hour	# of Respondents	Respondent Total Time (avg)	Cost
Parent Respondents	10	355,000	.25 hours	\$887,500
LEA Respondents	15	1,264	9	\$170,640
Total Cost				\$1,058,140
Prior Cost Estimate				\$1,443,992
Cost Change				-\$385,852

**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 only costs to respondents are those shown above for staff time for data collection and reporting. There should be no record-keeping costs beyond those covered under customary and usual business practices.

**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.**

Federal costs associated with this collection of information are generally those normally associated with Department staff conducting program monitoring.

<b>Application Receipt and Logging</b>				
Signed Assurances Received	Hours per Application	Total Staff Hours	Wage Rate for Personnel <sup>3</sup>	Total Receipt and Logging Cost
1,264	0.25 hours	316	\$36.60	\$ 11,566

<b>Application Review</b>						
Applications	Time in Property Review per Application	Total Hours	Wage Rate for Personnel <sup>4</sup>	Total Personnel Cost	Other Costs	Total Cost of Review
1,264	4 hours	5,056	\$47.58	\$ 235,811	0	\$240,565

<sup>3</sup> 2016 Pay rate for a GS-12/1 = \$36.60

<sup>4</sup> 2016 Pay rate for a GS-12/10 = \$47.58

Applications	Time in Application Review per Application	Total Hours	Wage Rate for Personnel	Total Personnel Cost	Other Costs	Total Cost of Review
1,264	24 hours	30,336	\$47.58	\$ 1,414,871	0	\$1,443,387

**Total \$ 1,695,518**

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

Due to proposed changes in the regulations there is a reduction in the burden hours for applicants applying for Impact Aid Section 8003 assistance. Additionally, by using the exact number of respondents for each part of the application rather than an estimate, the Department is more precise about the total time required; the actual number of respondents is lower than prior estimates. In total, we estimate that it will require 82.8 hours per LEA applicant to collect, organize and prepare the application for Impact Aid Section 8003 assistance.

The proposed rule will reduce the time spent collecting Average Daily Attendance (ADA); the availability of a state average attendance ratio for all States will significantly reduce the number of hours, as LEAs will not have to collect or report this data. Furthermore, there is a reduction in GCD collection; very few applicants use the GCD provision, and the reduction in the stated number of applicants affected reduces the burden calculation. Another regulatory change affects the source check for Indian Lands and Low Rent Housing; the prior estimate of 500,000 parents completing the source check form is reduced to \$355,000. For FY 2016, for example, 354,046 children were claimed on Indian lands (122,593) or resided in low rent housing (231,453); under the proposed regulations these students would now be counted by source check, a much less burdensome collection method.

**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 collection of information does not require publication of the information or use of complex analytical techniques.

**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 OMB approval number will be displayed on the forms.

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

There are no proposed exceptions to the certifications.