

## Accrediting Agencies Reporting Activities for Institutions and Programs

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 section<sup>1</sup>. 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 review is a new information collection. The Secretary of Education is authorized by Section 496 of the Higher Education Act of 1965, as amended (HEA), 20 USC 1099b,<sup>2</sup> to recognize accrediting agencies to ensure these agencies are, for HEA purposes, or for other Federal purposes, reliable authorities regarding the quality of education or training offered by the institutions or programs they accredit. Federal statute and regulations (HEA Section 496(a)(7), (a)(8), (c)(7), (c)(8); 34 CFR 602.26,<sup>3</sup> 602.27<sup>4</sup>) outline information that accrediting agencies must report to the Department of Education on a timely basis in order to support the Department's oversight role, including information on accreditation actions taken with regard to institutions and programs; in addition, the Department is entitled to obtain information about institutions from their recognized accrediting agencies in furtherance of its Federal student aid oversight responsibilities under HEA 487(a)(15), 20 USC 1094(a)(15).<sup>5</sup>

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.

This is a new collection. The data will be collected from accrediting agencies by the Department of Education using an online collection instrument. Accrediting agencies are required to submit information about accredited institutions to the Department, including institutional deficiencies with regard to the agency's policies and notification of systemic non-compliance by accredited institutions participating in Title IV programs, which the Department uses for oversight and compliance actions. The information that ED requests for voluntary submission by all federally recognized agencies will enable the Department to better protect students, families, and taxpayers impacted by the academic quality of postsecondary institutions and programs that

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<sup>1</sup> Please limit pasted text to no longer than 3 paragraphs.

<sup>2</sup> HEA 496, 20 USC 1099b is available at <https://www.gpo.gov/fdsys/pkg/USCODE-2015-title20/pdf/USCODE-2015-title20-chap28-subchapIV-partG-subpart2-sec1099b.pdf>

<sup>3</sup> 34 CFR 602.26 is available at <https://www.gpo.gov/fdsys/pkg/CFR-2015-title34-vol3/pdf/CFR-2015-title34-vol3-sec602-26.pdf>

<sup>4</sup> 34 CFR 602.27 is available at <https://www.gpo.gov/fdsys/pkg/CFR-2012-title34-vol3/pdf/CFR-2012-title34-vol3-sec602-27.pdf>

<sup>5</sup> HEA 487(a)(15), 20 USC 1094(a)(15) is available at <https://www.gpo.gov/fdsys/pkg/USCODE-2010-title20/pdf/USCODE-2010-title20-chap28-subchapIV-partF-sec1094.pdf>

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participate in federal programs and will enhance transparency about accrediting agency actions for members of the public.

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.

Notifications of accreditation actions will be submitted to the Department by accrediting agencies via the Department's online reporting portal for accreditors (at <https://surveys.ope.ed.gov/accreditation>; see section 5 and Appendix 1 of the guidance letter for details). The Department has developed this online portal in response to concerns raised by commenters regarding the hidden burden and technical challenges associated with the initially proposed Excel spreadsheet, and the suggestion by some commenters that the Department should automate the process by which agencies report to the Department.

In addition to reducing reporting burden and technical challenges, the online portal will further facilitate complete, consistent, and accurate submission of notifications to the Department. Furthermore, the automation of the submission process is necessary to avoid a situation where information is prepared, submitted, and acted upon in a non-structured and largely manual fashion – such that whenever an agency takes an action that must be reported to the Department, it will have to send an email containing the type of action and a summary of the reason for the action. The format and content of these emails may vary substantially from one agency to another and by the type of action being taken. In some cases, supporting documents will be attached, while in other cases the attached documents may be a PDF version of the contents of the email itself. The Department will then direct the emails to appropriate staff for oversight and monitoring purposes, as well as to a contractor for entry into the Department's accreditation database. Once updated, the information in this database will be available on the Department's website. Such a manual system overwrites previous actions with new ones, so that longitudinal data are usually not stored. The process will be highly burdensome both for accrediting agencies and the federal government, and the manual aspect increases the likelihood of error and/or missed information.

Given the volume and importance of information to be reported, the suggestion by commenters that the Department automate the submission process is reasonable and very important. Accordingly, the Department is proposing that agencies enter the information directly into the database through the online portal, reducing the risk of error and increasing the speed of

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information sharing. As part of this change, the contractor will modify the database so that it captures changes in accreditation status over time; that is, each new action will be added to the database rather than overwriting the previous action. Further, the Department, with assistance from the contractor, will establish internal alerts and reports based on logic rules that ensure the correct information gets to the correct offices within the Department in a timely manner. This automation will reduce burden and potential risk inherent in a manual process, while also allowing Federal employees using the information to act more quickly and strategically in response to the data.

Key technological improvements include:

- Online collection instrument
  - Longitudinal data storage
  - Automation of some production activities
  - Reduced burden for accrediting agencies
  - Reduced burden for federal employees
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 collection will not duplicate any other information collection effort in the Department. No other agencies or organizations systematically collect adverse actions related to accreditation in the same manner as the Department. The information is not available in other forms or as the result of other information collections. This information collection seeks to ensure that information useful to the Department in its oversight roles and required or requested to be reported is complete and submitted efficiently and effectively.

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.

Accrediting agencies may qualify as small entities. This revised information collection seeks to reduce burden and technical challenges associated with the use of email and Excel spreadsheets as reporting tools by establishing an online collection instrument to streamline the reporting process. Further, the Department is permitting agencies to use existing URLs, where available, to

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provide decision letters for particular actions rather than requiring agencies to create and submit additional summary documents of actions taken.

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.

Information about accrediting agency actions are essential both for the Department's responsibilities to review the effectiveness of accrediting agencies and also to monitor the status of potentially problematic institutions. Not collecting the information or collecting the information less frequently would jeopardize the accreditation recognition process and institutional oversight by denying the Secretary the information needed to determine compliance with, among other things, 34 CFR Parts 600, 602, 668, and 690. This could also jeopardize students' ability to receive Title IV Federal Student Aid and participate in non-Title IV programs, and students' and families' trust that the accrediting agency is a reliable authority regarding the quality of education offered at the institutions they accredit. The collection requirements being operationally strengthened are statutory.

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

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- 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.

To the extent this collection involves timing requirements that fall within the categories listed above as special circumstances, those requirements are imposed by statute and regulations. Further, accrediting agencies are being given the option to submit via email directly to the Department any other documents that the agency believes contain confidential or proprietary information. The Department urges agencies to redact, as necessary to protect personally identifiable information (PII), or confidential commercial or financial business information, any supporting documents that they post via the new portal.

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.

On April 5, 2016, the Department of Education published a 60-day Information Collection Request (ICR) in the Federal Register, inviting comments by June 6, 2016, on the proposed guidance letter on the Clarification of Terminology and Requirements for Accrediting Agency Reporting to the U.S. Department of Education. Eleven commenters submitted approximately 90 individual comments (i.e., multiple comments were received from individual commenters). The Department reviewed each of the comments and concerns and has made a number of changes to the guidance letter in response. A summary of the comments on the guidance letter as well as information on the actions taken was prepared. This 30-day notice—accompanied by a summary of the Department's response to comments on the 60-day information collection request —

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addresses the concerns and questions raised by commenters on the initial version regarding issues such as the definition of probation, hidden burden and technical challenges associated with the use of Excel spreadsheet as a reporting tool, and clarification on how the required and requested reporting apply to the different types of accreditors. Other issues addressed by the changes include questions about the Department’s legal authority to collect the “required” information, specificity on the use of terms such as “all other documents,” and “all other actions,” as well as the reporting burden associated with the request for summaries and “other information.” The review further clarifies the terminologies associated with actions taken by accreditors, the reporting required or requested on those actions, and the channel for submitting the information. Some of the commenters on the 60-day notice suggested that the Department should develop an online system for agencies to submit information and upload documents digitally in order to reduce the technical and hidden burden associated with the manual entry of accrediting actions/documents into the Excel spreadsheet, and the transmittal of these spreadsheets via email –. In response to this comment, the Department has proposed to replace the Excel spreadsheet with a more simplified online reporting portal that agencies can use to submit their accrediting actions and supporting decision letters. For details of the changes made to the draft guidance letter (including the proposed portal), please refer to the attached Summary of Response to Public Comments on Clarification of Terminology and Requirements for Accrediting Agency Reporting to the U.S. Department of Education.

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

No payments will 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. 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.<sup>6</sup> 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.

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<sup>6</sup> 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)

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There is no expectation of confidentiality for the data collected through the online portal. The majority of the required information is already made public, and is required by law to be made public. To address privacy concerns, the guidance letter states that “an agency may redact information that would identify individuals or institutions, if the agency believes these are not essential to the Department’s oversight of the agency and the institution.” They are also urged to redact any information that they believe in good faith would qualify as non-public confidential commercial or financial information. Further, rather than posting other documents that an agency believes contains confidential or proprietary information on their websites and submitting the URL via the online portal, accrediting agencies are being given the option to submit these documents via email directly to the Department.

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.

Neither the data collection nor the information items in the adverse action reports include questions of a private or personal nature.

12. Provide estimates of the hour burden of the collection of information. The statement should:
  - Indicate the number of respondents affected by 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)

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- 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.

The Department's updated version of Clarification of Terminology and Requirements for Accrediting Agency Reporting to the U.S. Department of Education describes the information collection; the proposed online reporting portal provides the format for the submission of information. The 64 active federally recognized accrediting agencies (not-for-profit associations) are required to respond to this information collection. The data that will be collected by the Department include actions that agencies take with respect to institutions of higher education, as well as other information about institutions' accreditation. The Department will require agencies to report accreditation actions using an online portal and to make the decision letters supporting a specific subset of these actions available on their websites. The user interface of this portal will be controlled by a user ID and password, and the data submitted through this system will flow into the Accreditation Database.<sup>7</sup> The Department estimates that upon initial access, each agency will spend 5 minutes to read instructions the first year. To submit the information, the Department estimates that reporting data in the online portal will take 20 minutes per action (i.e., 5 minutes to complete the online form and 15 minutes to post decision letters on agency website and create URL link). The 64 federally recognized accrediting agencies are expected to report about 8,050 actions to the Department annually.<sup>8</sup> Therefore, annual burden is estimated to be 2,689 hours (5 minutes per agency multiplied by 64 active agencies plus 20 minutes per action multiplied by 8,050 actions). Therefore, the Department estimates that each accrediting agency will incur an average annual burden of about 42 hours (2,689 divided by 64). The estimated annual cost to agencies is \$69,314, using an hourly rate of \$25.78<sup>9</sup> (2,689 multiplied by \$25.78). Therefore, the Department estimates that each accrediting agency will incur an average annual cost of about \$1,083 (\$69,314 divided by 64).

<b>Estimation of Agency Annual Burden</b>	
Read Instructions	5 min./agency
Number of Agencies	64
Complete Online Form(s)	5 min./action
Create URL to Decision Letters	15 min./action

<sup>7</sup> <http://ope.ed.gov/accreditation/>

<sup>8</sup> This estimate is based on similar actions reported to the Department in the past by 64 accrediting agencies.

<sup>9</sup> The Bureau of Labor Statistics (BLS) November 2014 total private education and health services average hourly earnings of \$25.78 was used as the hourly rate to monetize the burden of these provisions.



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Number of Actions	8,050
<b>Annual burden hours<sup>†</sup></b>	<b>2,688.67</b>
<b>Annual burden hour per agency</b>	<b>42.01</b>

$$\begin{aligned}
 & \dagger \frac{5 \text{ min} + 15 \text{ min}}{1 \text{ action}} \cdot \frac{1 \text{ hour}}{60 \text{ min}} \cdot \frac{8050 \text{ actions}}{\text{year}} + \frac{5 \text{ min}}{1 \text{ agency}} \cdot \frac{1 \text{ hour}}{60 \text{ min}} \cdot 64 \text{ agencies} \\
 & \hat{=} 2683.3 \text{ hours/year} + \hat{=} 5.3 \text{ hours/year} \\
 & = 2688.7 \text{ hours / year.}
 \end{aligned}$$

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

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There is no startup cost.

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 Department has chosen to use a contract to build and maintain the online data collection instrument and the database to contain the data. The accreditation portal and database are part of a larger contract, and the Department estimates that the accreditation portion of the contract's cost is \$340,000 annually. Further, the Department will need one federal employee to analyze and act upon the data submitted through the portal. The Department estimates that this employee will spend about 670 hours per year on this task (5 minutes per action multiplied by 8,050 actions). This employee is a GS-12, so the cost for this work is \$24,633 per year (670 hours multiplied by \$36.72 per hour). Therefore, the Department estimates that its annual cost will be \$364,633.

Estimation of Federal Government Annual Burden	
Time per Action	5 min./action
Number of Actions	8,050
Annual Burden Hours	670.83
Hourly Rate	\$36. <sup>72</sup>
GS-12 Employee Cost	\$24,633
Contractor Cost	\$340,000
<b>Annual Burden Cost (dollars) †</b>	<b>\$364,633</b>

$$\begin{aligned}
 & \dagger \frac{5 \text{ min}}{1 \text{ action}} \cdot \frac{1 \text{ hour}}{60 \text{ min}} \cdot \frac{8050 \text{ actions}}{\text{year}} \cdot \frac{\$36.72}{\text{hour}} + \frac{\$340000}{\text{year}} \\
 & = \$24,633 / \text{year} + \$340,000 / \text{year} \\
 & = \$364,633 / \text{year}
 \end{aligned}$$

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

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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).

### **Review of Estimate (i.e., comparison with initial 60-day ICR):**

The Department's initial draft version of the guidance clarified the information that accrediting agencies are required to report to the Department. The new version of the guidance addresses concerns raised by commenters about the hidden burden and technical challenges associated with the use of Excel spreadsheet as a reporting tool, references to the collection of "all other documents," and the reporting of "other actions." In addition, some commenters suggested that the Department automate the process by which agencies report accreditation actions. The current version of the guidance letter reduces the perceived and technical reporting burden by proposing the use of the online reporting portal instead of the Excel spreadsheet, as well as by being more specific about the required versus requested documents (decision letters) and by eliminating blanket references to "other actions" taken by accreditors. Furthermore, to properly respond to the demand for the automation of the reporting channel, the Department redefined the respondent universe – from the initially proposed 38 accrediting agencies recognized for Title IV purposes to the 64 active federally recognized accrediting agencies. Similarly, the proposed change in reporting channel has resulted in the broadening of the universe of actions that agencies may submit via the online portal. The portal will be used by accrediting agencies to submit not only reports pertaining to the requested or required information specified in the guidance letter, but also to voluntarily inform the Department about other actions or information about an institution that the accrediting agencies would like to accurately and comprehensively reflect in the Department's Database of Accredited Postsecondary Institutions and Programs (available at <http://ope.ed.gov/accreditation/Index.aspx>). Consequent upon the broadening of the universe of respondents and actions, the Department has re-estimated the reporting burden and cost accordingly, as shown in the response to question 12 above.

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.

Tracking and OMB Number: **1840-NEW**

Revised:

RIN Number:

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The Department will make most of the data it collects from accrediting agencies publicly available on the Database for Postsecondary Institutions and Programs (DAPIP). DAPIP can be accessed by visiting <http://ope.ed.gov/accreditation/>. The primary uses of the data collected via the online system will be to enhance the Department's oversight activities of Federally recognized accreditation agencies and of institutions participating in the Federal student aid programs, and to provide consumer information to the public. After sufficient longitudinal data have been collected, the Department may analyze the data to inform its oversight of accrediting agencies.

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 Office of Postsecondary Education is not seeking this approval.

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

There are no exceptions to the statement.