

SUPPORTING STATEMENT

FOR PAPERWORK REDUCTION ACT SUBMISSION

OMB Number: 1894-0001

Revised 06/16/2016

RIN Number: not applicable, not associated with rulemaking

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 section. Please limit pasted text to no longer than 3 pages. 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.

The Preschool Development Grants program is authorized as part of Part D of Title V of the Elementary and Secondary Education Act of 1965, as amended by the No Child Left Behind act of 2001 (ESEA), and title III of Division H of the Consolidated Appropriations Act, 2016 (Pub. L. 114-113) to provide 250 million to build, develop and expand high-quality preschool programs. The Office of Early Learning will use \$2,800,000 of National Activity Funds to fund the Preschool Development Grants—Preschool Pay for Success Feasibility Pilot (Preschool PFS Feasibility Pilot) competition.

Pay For Success (PFS) is an innovative contracting and financing model that tests and advances promising and proven interventions, while providing taxpayer (or other) dollars for successful outcomes for families, individuals, and communities. Through a PFS project, a government entity (or another entity) enters into a contract with an investor to pay for services provided to specific people or communities once concrete, measureable outcomes have been achieved. The first step in exploring implementing preschool services through a PFS is a feasibility study.

Preschool Pay for Success Feasibility Pilot applicants will develop an application package proposing a feasibility study that establishes whether PFS is viable, for a specific intervention, in a specific jurisdiction and geographic area. The feasibility study will identify potential outcome measures for the project and evaluate the feasibility of implementing or scaling a specific intervention for an identified target population. The feasibility study analyzes and quantifies the fiscal benefits for government and societal benefits that result if the outcome measures are achieved for the target population. It may also identify statutory and legal barriers, as well as potential partners for a PFS project.

Eligible applicants for the Preschool PFS Feasibility Pilot discretionary grant competition are States, local governments and tribal entities. We intend for high-quality preschool programs to be located in regionally diverse communities or consortia of communities in

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cities, towns, counties, neighborhood, districts, rural or tribal areas, with a high level of need or distress as determined by the State.

Preschool PFS Feasibility Pilot is a new discretionary grant, and so the type of data collection is also new.

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 U.S. Departments of Education (the Department) will use the information submitted by eligible States, local governments and tribal entities to select applicants for funding under this program. The Preschool PFS Feasibility Pilot will be administered by the Department. This is a new 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.

All applicants will use Grants.gov, an Internet-based collection system, to submit their applications electronically to the Department.

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 Question 2 above.

The application does not duplicate any other information collection effort.

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 expected applicants for this collection of information are States, local governments and tribal government entities. The program office believes a small team of education, government or business leaders will perform the majority of the work for filling out the grant application. The small entities that may respond to this voluntary collection are small local governments and small tribal government entities. In order to reduce burden on these entities, the Department has created this application form using the standard structure that is generally used for Department discretionary grant competitions. This structure allows for easy access to all information needed to complete an application and all supporting forms that must be submitted. The Department's planned webinars will also provide technical assistance for those small entities that may be unfamiliar with the grant application process.

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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 Preschool PFS Feasibility Pilot grant program is a discretionary grant program. The program could not be implemented without the collection of information. Not obtaining this data in the application would leave reviewers without the information required to determine if an application fulfills the requirements of the program. The data collection occurs only when applications for new grants are solicited, no more than once a year.

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.

None of the special circumstances listed apply to this data 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

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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 will publish a 30-day public comment Federal Register notice as required by the terms of the generic clearance for discretionary grant applications.

At the public June 10th, 2016, U.S. Department of Education Pay For Success convening, Department staff notified the public of the possibility of a Pay for Success competition. The information was well received by those in attendance at this meeting and they anticipate the published notice.

The Office of Early Learning will conduct multiple webinars for interested applicants. The purpose of the webinars will be to review the components of the application package and Notice Inviting Applications.

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

No payment or gifts to respondents will be made.

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 ICRAS' Part 2 IC form. A confidentiality statement with a legal citation that authorizes the pledge of confidentiality should be provided. 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). 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.

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.

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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 Question 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. (The table should at minimum include Respondent types, Number of Respondents 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 Question 14.

All Preschool PFS Feasibility Pilot grant applicants will be asked to complete the Preschool PFS Feasibility Pilot grant application. We estimate that the application will take an average of 200 hours for each applicant to complete. The average burden for completing the one-time grant application for approximately 14 entities is 2,800 hours. The one time cost to respondents is estimated to be \$48 per hour for 200 hours which equates to \$9,600.00. The total cost for all 14 expected respondents at \$48.00 per hour is approximately \$134,400.00 for all applications. The hour burden on respondents is not expected to vary widely as there is only one version of the Preschool PFS Feasibility Pilot 2016 Grant Application.

Approximately 14 respondents x 200 hours x \$43/hour = \$134,400.

Preschool PFS Feasibility Pilot Grants	Number of State applicants	Number of local government applicants	Number of tribal government entity applicants	Hours/Activity	Total Hours	Cost/Hour	Cost
Complete Preschool PFS Feasibility Pilot Grant Applications	9	4	1	200	2,800	\$48	\$134,400.00

RIN Number: not applicable

	<i>Total</i>	2,800	\$48	\$134,400.00
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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 Questions 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 Question 12.

Total Annualized Capital/Startup Cost: 0

Total Annual Costs (O&M): 0

Total Annualized Costs Requested: 0

There are no startup or recordkeeping costs associated with 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 Questions 12, 13, and 14 in a single table.

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The Federal costs will involve screening the applications, managing the grant review, reviewing the budgets, and awarding Preschool PFS Feasibility Pilot grants.

Two GS14 staff members work four hours a day, four days a week, June-November at \$57.39 per hour.

640 hours (5 months of work for two GS14 Step 4 staff members) x \$57.39/hour equals 36,729.60.

One GS 14 staff member in a leadership position oversees the competition for 180 hours (approximately 1.5-2 hours per day over a five month period) at \$57.39 per hour.

Contractor costs for the FY 16 competition are set by a firm fixed-price logistics contract. The contractor will assist with the application review. The value of the grant review is expected to be approximately \$300,000. The calculation includes the review costs associated with the Preschool PFS Feasibility Pilot grants competition. The total includes costs for contractual support, conference calls, printing, and mailing expenses, computer and printer rental, reviewer expenses (printing, honoraria, etc.).

<i>Preschool Development Grants/ Expansion Grant/Program Staff time - September 2016 - December 2016</i>	
2 GS14s x \$57.39/hour x 320 hours/per person	\$36,729.60
1 GS14 x \$57.39/hour x 180 hours	\$10,330.20
Total Federal Personnel Costs	\$47,059.80
Logistics Contract	\$300,000.00
Grand Total	\$347,059.80

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 request is for a new grant program. No changes or adjustments are requested.

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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.

There are no plans to formally publish the results of the data provided in the grant applications. Rather, the data obtained through this data collection will be used by the program office for a Preschool PFS Feasibility Pilot discretionary grant competition. The applicants will be advised through the Notice Inviting Applications that successful applications may be placed on the Department's website for public viewing.

17. 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.

We seek to publish the Notice Inviting Applications and begin collecting information through the application form in mid-July, 2016. We plan to keep the application open for 60 days, so that the collection of information will finish in mid-September, 2016. We hope to complete a panel review in October, 2016. We expect to make new grant awards before December 31, 2016.

18. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

We will display the expiration date for OMB approval of the information collection.

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

No exceptions are requested.