

Grants to Charter Management Organizations for Replication and Expansion of High-Quality Charter Schools Program Application for Grants

SUPPORTING STATEMENT

FOR PAPERWORK REDUCTION ACT SUBMISSION

OMB Number: 1855-New (1894-0001)

Revised: 11/28/2016

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 U.S. Department of Education is requesting a new collection to make awards under the Grants to Charter Management Organizations for Replication and Expansion of High-Quality Charter Schools Program (CMO). The activities under the CMO competition are authorized under the Title IV, Part C of the Elementary and Secondary Education Act, as amended in the Every Student Succeeds Act (ESSA).

The CMO program provides grants to charter management organizations to enable them to replicate or expand one or more high-quality charter schools, as defined in the Notice Inviting Applications. Grant funds may be used to expand the enrollment of one or more existing high-quality charter schools, or to replicate one or more new charter schools that are based on an existing, high-quality charter school model.

The CMO grant program is intended to support high-quality charter schools that are operated by high-performing CMOs seeking to broaden and increase their impact on student achievement. Since FY 2010, the Department has awarded new CMO grants each year (except in FY 2013),¹ which has resulted in a portfolio of high-quality CMOs using Federal funds to replicate and expand their successful charter school models to serve greater numbers of students, particularly educationally disadvantaged students.

In December 2015, the CMO grant program was reauthorized under the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act of 2015 (ESSA) (20 U.S.C. 7221-7221j). This notice contains newly authorized

¹ From FY 2010 through FY 2016, the Department's authority to use CSP funds to make CMO grants (under the Grants for Replication and Expansion of High-Quality Charter Schools competition) was provided through annual appropriations acts.

priorities, definitions, application requirements, and selection criteria from the ESEA (as amended by the ESSA), as well as other priorities, definitions, application requirements, and selection criteria, to ensure that the Department's CMO grant portfolio continues to consist of high-quality charter schools operated by high-performing CMOs that are improving academic outcomes for all students, particularly educationally disadvantaged students.

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 application package requests programmatic and budgetary information needed to evaluate new applications and make funding decisions based on the authorizing statute, program regulations, and EDGAR. Failure to collect this information would prevent the awarding of appropriated funds; essential information would not be available for evaluating the applications in accordance with the statute and regulations.

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.

For fiscal year 2017, applications for grants under the CMO program will be submitted electronically via the Grants.gov portal. We estimate that the Department will receive 100 percent of the applications electronically.

The application package will be prepared in a format for easier and faster posting of information on the Web. Prospective applicants will be able to view and download the application through the FIND function on Grants.gov at <http://www.Grants.Gov>.

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.

Since the information submitted in the application is unique to each respondent, no duplication exists as far as can be determined. There is no other collection instrument available to collect the information that is being requested.

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.

Potential applicants for this application package include non-profit charter management organizations (CMOs). The CSP team and through clearance, other offices across ED, have reviewed the NIA and eliminated any redundancies in an effort to simplify the information ED is requesting from applicants.

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

If the collection is not conducted or is collected less frequently, the Department cannot meet its grant making responsibilities, including the publication of closing date notices, providing technical assistance to potential applicants, conducting peer reviews of grant applications, transmitting slates with funding recommendations to Department officials for approval, and making grant awards.

The Department needs to make grant applications available to its constituencies to give eligible applicants time to develop and submit applications, and to make new fiscal year grant awards in a timely manner.

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.**

No information will be collected in the manner covered under any of the special circumstances outlined.

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.

The Department is meeting all requirements of public comment periods. Informal discussions with past applicants have occurred on an ongoing basis, since the time of the FY 2016 CMO grant competition was held, through individual meetings with eligible applicants and through meetings with organizations that have a particular interest in the program, most notably the National Alliance for Public Charter Schools. Based on this feedback as well as program staff analyses regarding application errors and data omissions, we have clarified instructions and certain data requirements associated with the application.

Also, a 30-day notice was published in the Federal Register prior to submission to OMB.

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

The Department will not provide any payments or gifts 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. 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. This supporting statement serves as a Joint ICR and Privacy Impact Assessment, per OMB Memorandum 03-22 Section II.D.

- 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.

This application does not include questions about sexual behavior and attitudes, religious beliefs, or other items that are commonly considered sensitive and private.

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 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)**
- **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 anticipated number of respondents is 50. The average burden per response is estimated at 40 hours and the number of responses per applicant is one. The data collection occurs once annually. The burden, based on 50 responses to the CMO application package that occurs at an average burden of approximately 40 hours/response, is 2,000 hours, occurring once every year a CMO competition occurs. Because respondents submit applications electronically using the Grants.gov APPLY module, costs to respondents are limited to the costs of preparation of the application. Based on the estimate that 50 applications will be submitted, costs to respondents are estimated to be the following: 50 apps x 40 hours/application x \$30/hour = \$60,000

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.

Annual Costs to Respondents (capital/start-up, and operation and maintenance): The total for the capital and start-up cost components for this information collection is zero. This information collection will not require the purchase of any capital equipment nor create any startup costs.

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.

Cost to Federal Government:

| Cost for Federally-supervised review of applications | |
|---|----------|
| 21 readers @ \$1,600 each | \$33,600 |
| Processing applications – staff (8 staff x 40 hours x \$48 per hours=\$15,360) | |

| | |
|---|--------------|
| (Overhead cost: \$15,360 x 50 percent = \$7,680) | \$23,040 |
| Contractor logistical support for workshops, application processing, field reading, peer review panel set-up, grant folder creation (14 weeks) | \$45,000.00 |
| Staff time for conducting supervised review. (6 staff x 160 hours x \$48 per hour=\$46,080) (Overhead cost: \$46,080 x 50 percent=\$23,040) | \$69,120.00 |
| Staff time for generating slate (3 staff x \$48 x 16 hours=\$2304) (Overhead cost: \$2304 x 50 percent = \$1152) | \$3,456.00 |
| Staff time to review and approve funding recommendations (15 awards x 4 hours per award x \$48 per hour = \$2,880 (Overhead cost: \$2,800 x 50 per cent = \$1440) | \$4,320.00 |
| Staff time to generate, approve, and issue grant awards (2 hours per award x 15 awards= 30 hours) (\$48 per hr x 30 hours = \$1,440) (Overhead cost: \$1,440 x 50 percent = \$720) | \$2,160.00 |
| <i>Total estimate cost to government (competitive year)</i> | \$180,696.00 |

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 is a new data collection; there is a program change increase of 2000 annual burden hours.

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.

Successful applications that receive grant funding will be published on ed.gov. Unsuccessful applications may also be published on ed.gov. Successful applications will be available online within one month after grant award announcements are made. A similar timeframe will be used, if ED leadership decides to publish unsuccessful applications as well.

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 Department will display on the form the expiration date for the OMB approval as required.

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

There are no exceptions to the certification statement.