

Paperwork Reduction Act Submission Supporting Statement

Rural Education Achievement Program (REAP) Information Collection to Support Grant Funding Process

January 13, 2017

Introduction

This data collection is pursuant to the Secretary's authority under Part B of Title V of the Elementary and Secondary Education Act (ESEA), as amended by the Every Student Succeeds Act (ESSA, P.L. 114-95) to award funds under two grant programs designed to address the unique needs of rural school districts – the Small, Rural School Achievement (SRSA) program (ESSA Section 5211) and the Rural and Low-Income School (RLIS) program (ESSA Section 5221).

Under the SRSA program, the Secretary awards grants directly to eligible local educational agencies (LEAs) on a formula basis. Under the RLIS program, eligible LEAs are sub-recipients of funds the Department awards to State educational agencies (SEAs) on a formula basis. For both grant programs, the Department awards funds based on a determination of the eligibility of individual LEAs and the calculation of the allocation each eligible LEA should receive according to formulas prescribed in the statute.

This data collection package consists of two forms and related documents that are used to accomplish the grant award process each year: (1) Form 1 is a spreadsheet used by SEAs to submit information to identify RLIS- and SRSA-eligible LEAs and to allocate funds based on the appropriate formula, and (2) Form 2 is an application form for SRSA-eligible LEAs to apply for funding.

This submission requests a revision of the current approved collection package (OMB #1810-0646). The REAP Eligibility Spreadsheet (Form 1) has been modified from the previously-approved collection under OMB#1810-0646, to exclude data that is no longer needed because of improvements in processes, and to include data that is now required due to changes in the new statute.

The main thrust of this revision involves the SRSA Application Package (Form 2). The REAP program office seeks to replace the existing G5 document with the Standard Form (SF) 424 available through GRANTS.gov. The move to GRANTS.gov is necessary because beginning with the FY 2017 grant award cycle, all eligible LEAs will

K:\REAP\Policy Development\New Information Collection Package for REAP\FY 2017 - REAP IC Supporting Statement - 10 27 16.doc

need to submit an annual application to be considered for SRSA grant funds. Use of GRANTS.gov will streamline the Department's SRSA grant-making processes. In addition to the changes from the G5 document to SF 424, applicants will be required to submit three other forms: SF 424B – Non-Construction Programs, GEPA 427, and ED Form 524. SF LLL – Disclosure of Lobbying Activities is no longer required.

The instructions for Form 1 (REAP Eligibility Spreadsheet) have been modified to provide the reader with more background information about the collection. The instructions account for a collection in fall 2017 and one annual data collection in each subsequent year. The fall 2017 collection will enable the Department to modify the grant schedules for RLIS and SRSA in order to ensure awards are made in accordance with the July 1 statutory deadline. The column-by-column instructions for completing the spreadsheet have been modified to reflect the revised spreadsheet.

The instructions for Form 2 (SRSA Application Package) have been replaced with the instructions that accompany SF 424 and the required assurances have been updated. In addition, the Department has included program background information and submission tips to assist applicants.

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.

Part B of Title V of the Elementary and Secondary Education Act (ESEA), as amended by the Every Student Succeeds Act (ESSA, P.L. 114-95), authorizes the Secretary of Education to award funds under two grant programs that are designed to address the unique needs of rural school districts – the Small, Rural School Achievement Program (ESSA Section 5211) and the Rural and Low-Income School Program (ESSA Section 5221).

The Department awards funds for both grant programs based on a determination of the eligibility of individual LEAs, and calculating formula allocations for each eligible LEA. With the re-authorization of ESEA, a revision of the existing data collection under OMB #1810-0646 is needed to collect new eligibility- and allocation-related data elements and to enable the program office to more efficiently make grant awards according to the statutory target date of July 1.

Form 1 consists of the REAP Eligibility Spreadsheet through which SEAs provide to the Department eligibility and allocation data for both the RLIS and SRSA programs. Form 1 is supplemented with:

- (a) a spreadsheet that SEAs use to provide any necessary corrections to the data;
- (b) a spreadsheet for SEAs to report the LEAs in their States that meet the statutory alternative rural definition; and
- (c) a document through which SEAs can obtain or verify the NCES locale code

assignment of individual schools within a district.

Form 2 consists of the application package for LEAs under the SRSA program (CFDA #84.358A). Under the SRSA program, the Secretary awards grants directly to LEAs on a formula basis. Eligibility for this program is based on rural status and average daily attendance (ADA) for the LEA by December 1st of each year. To be eligible, an LEA must: 1) (a) have a total ADA of less than 600 students, or (b) serve only schools located in counties with a total population density of fewer than 10 persons per square mile; and 2) (a) serve only schools that have an NCES school locale code of 41, 42, or 43, or (b) be located in an area of the State defined as rural by a governmental agency of that State. Allocations are based on the ADA numbers for eligible LEAs and the LEA's previous year's allocations under the following ESEA provisions: 1) Part A of Title II (Supporting Effective Instruction); and 2) Part A of Title IV (Student Support and Academic Enrichment Grants).

Previously, the Department required eligible LEAs to apply only once during an authorization cycle. The application was submitted during the LEA's initial funding year. The Department is proposing an annual application in order to have updated LEA information for the formal grant agreement between the Department and LEAs, to provide targeted technical assistance to LEAs, and to make SRSA grant awards on a more timely basis.

The SF 424 (will enable the Department to efficiently process the large influx of annual SRSA applications it will receive each year. SF 424B and the GEPA 427 Statement are requirements that apply to SRSA grantees. And, ED Form 524, is necessary for submission to Grants.gov

- 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 information collected from SEAs through Form 1 (the REAP Eligibility Spreadsheet) is used on an annual basis by the program office in coordination with Budget Service to determine LEA eligibility for the programs and to allocate funds to eligible LEAs.

The information from Form 2 (the SRSA application package) is used to process grant awards under the SRSA program.

- 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 of using information technology to reduce burden.**

Prior to FY 2013, SEAs submitted Form 1, the REAP Eligibility Spreadsheet, to the Department via regular email. Beginning with the FY 2013 grant year, the program office piloted the use of an online web portal, MAX.gov – through which SEAs could submit, save, and track their eligibility spreadsheets. MAX.gov was implemented in order to further streamline the data submission process, provide version control, and put an end to the back-and forth spreadsheet e-mails between the REAP program office and SEAs. The success of this innovation is reflected in the SEA participation levels: after two years, SEA participation in and use of MAX.gov increased exponentially, from an initial “pilot cadre” of seven SEAs in FY 2013, to all 49 REAP-eligible SEAs in FY 2015. (No LEAs in Hawaii qualify for either RLIS or SRSA)

Beginning in FY 2017, SRSA-eligible LEAs will submit Form 2, the SRSA Application Package, electronically via GRANTS.gov, which will automatically populate the Department’s G5 system. GRANTS.gov offers an array of data verification features that do not exist with the existing SRSA application submittal process. Applicants will be better able to submit and verify the completeness and accuracy of their SRSA applications, avoiding confusion and delays when the Department processes SRSA applications for award.

4. Efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use of the purposes described in Item 2 above.

Form 1 (the REAP Eligibility Spreadsheet) collects from States LEA level data that is required to determine LEA eligibility to participate in both REAP formula grant programs and to determine LEA allocations. The system that we have instituted for determining eligibility is time-bound and incorporates data from several sources. For example, we rely on NCES and the Common Core Directory to gather as much information as possible. Specifically, NCES provides the universe of schools with locale code and poverty data from the Census Bureau already incorporated. We continue to work with NCES staff to streamline and refine the processes by which we obtain REAP eligibility data. For example, for FY 2017, NCES will also incorporate population density data from the Census Bureau into the information they provide, no longer requiring States to provide this information. Nevertheless, several required data elements are not available from NCES or any other ED collection. As an example of the REAP Program’s need to rely on data outside of NCES, the LEA-level average daily attendance (ADA) that we collect from SEAs on the REAP eligibility spreadsheets is defined in Section 5231 of the REAP statute as:

“a census to determine the number of students in average daily attendance in kindergarten through grade 12 at the schools served by the agency”

This definition is not consistent with the definition of ADA that States use to provide ADA for an NCES collection, nor is it collected for each LEA. Therefore we must collect it from States via Form 1.

As with the previous SRSA application instrument, the updated SRSA Application Package collects the minimum information from applicants needed to make grant awards while using a standard, government-wide form. This is an application for federal assistance, therefore the information requested is specific to the SRSA program.

5. Information impacts small businesses or other small entities (Item 8b of IC Data Part 2), describe any methods used to minimize burden.

Neither small businesses nor small entities are affected by this collection. Small LEAs are affected by this program. In order to minimize burden for these small entities, the Department proposes an application package that contains only required data.

6. 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 data in Form 1 is not collected, the Department will be unable to make SRSA and RLIS grant awards, because it will not be able to determine eligibility or calculate formula allocations without data from SEAs and LEAs. Moreover, if LEAs do not submit Form 2, the Department will not have a legal agreement on which to base grant awards. Similarly, if Form 2 is not collected annually, the Department will be at risk of issuing grant awards to LEAs that have closed, or of entering into an agreement based on incorrect grantee information.

7. Special circumstances that would cause an information collection to be conducted in a manner inconsistent with 5 CFR 1320. 5.

This collection is consistent with the paperwork burden regulations of 5 CFR 1320.5.

8. 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.

The Department consulted with nine SEAs and asked them to estimate the burden for Form 1 and its supplemental materials. The burden estimates in this document are based, in part, on those responses. In regard to Form 2, the SRSA Application Package, the Department has fielded numerous requests over the years from SRSA grantee LEAs to remove obsolete contact information and update it with more current information.

In addition, the Department recently held a conference call with representatives from several associations representing rural schools and school districts to inform them of changes to the information collection process. Representatives were invited to provide

comments and ask questions during the conference call and to submit official comments.

The Department published both a 60-and 30-day FRN, receiveing six public comments during the 60-day public comment period; comments and response to these six pubic comments are attached.

9. Payment or gifts to respondents, other than remuneration of contractors or grantees.

No payment or gifts will be provided.

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

There is no assurance of confidentiality. All data collected is in the public domain.

11. Justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

This collection does not ask questions of a sensitive nature.

12. Estimates of the hour burden of the collection of information and the annualized cost to respondents of the hour burdens for collections of information, identifying and using appropriate wage rate categories.

The total annual reporting and recordkeeping burden for the collection for Forms 1 and 2 is estimated to be **21,113 hours (3,113 hours + 18,000 hours)**.

Form 1 – REAP Eligibility Spreadsheet

The maximum number of respondents is 49 SEAs. The average estimated burden per SEA is 38 hours. The total estimated burden for all SEAs is 1,862 hours (1,764 hours + 74 hours + 25 hours). In addition, LEAs will review and verify the data entered by the State. The estimated number of respondents is 5,000 LEAs. The average estimated burden per LEA is .25 hours. The total estimated burden for all LEAs is 1,250 hours.

Collecting data

49 SEAs X 36 hours /form = 1,764 hours

Filling in information

49 SEAs X 1.5 hour /form = 74 hours

Data Collection/Review

5,000 LEAs X .25 hours/review = 1,250 hours

Uploading report

49 SEAs X .5 hours /form = 25 hours

For Form 1, the total annual estimated burden for SEAs and LEAs combined is **3,113 hours (1,764 hours +74 hours + 1,250 hours + 25 hours).**

Form 2 – SRSA application package

For Form 2, the estimated maximum number of respondents is 6,000. The average estimated burden per response for SF 424 is 1.1 hours, and the total number of responses per applicant is one. The average estimated burden per response for SF 424B is 15 minutes, and the total number of responses per applicant is one. The average estimated burden per response for GEPA 427 is 1.5 hours, and the total number of responses per applicant is one. The average estimated burden per response for ED Form 524 is 10 minutes and the total number of responses per applicant is one.

The total annual estimated burden per respondent for Form 2 is **3 hours (1.1 hours, .25 hours, + 1.5 hours, + .17 hours).**

The total annual estimated burden for all respondents for Form 2 is **18,000 hours (6,000 responses X 3 hours).**

Estimate of the total annual cost burden to respondents or record keepers for capital expenses resulting from the collection of information.

The total annual cost burden to all respondents for Form 1 and 2 is estimated at **\$530,801 (\$77,801 + \$453,000).**

Form 1 – REAP Eligibility Spreadsheet

For Form 1, the primary costs to respondents fall into the following categories: collection of data, filling in information in the spreadsheet, review of data, and uploading the form to MAX.gov.

Based on an estimate of 49 forms prepared and submitted for an annual fall data collection (beginning in fall 2017), the costs to respondents are estimated to be the following:

<u>Collecting data</u>				
49 forms	X	36 hours /form	X	\$25/hour = \$ 44,100
<u>Filling in information</u>				
49 forms	X	1.5 hours /form	X	\$25/hour = \$1,838
<u>Data Collection/Review</u>				
5,000 LEAs	X	.25 hours/review	X	\$25/hour = \$31,250
<u>Uploading report</u>				
49 forms	X	.5 hours /form	X	\$25/hour = \$613
Total cost to respondents				\$77,801

For Form 1, the average estimated annual cost to all SEAs is \$46,551. **The total cost**

per SEA is \$950.

For Form 1, the average estimated annual cost to all LEAs is \$31,250. **The total cost per LEA is \$6.25.**

Form 2 - SRSA application package

For Form 2, the primary cost to respondents is for filling out required forms. Using an estimate of 6,000 applications prepared and submitted annually, costs to respondents are estimated to be the following:

SF 424

6,000 applications X 1.1 hours /application X \$25/hour = \$165,000

SF 424B

6,000 applications X .25 hours/application X \$25/hour = \$37,500

GEPA 427

6,000 applications X 1.5 hours/application X \$25/hours = \$225,000

ED Form 524

6,000 applications X .17 hours/application X \$25/hours = \$25,500

For Form 2, the total cost for all respondents is **\$453,000 per annum**. The total cost per respondent is **\$75.50**.

13. Estimate of the total annual cost burden to respondents or record keepers for capital expenses resulting from the collection of information.

This information collection does not require the use of any capital equipment, start-up costs or record keeping not included in the response to question # 12.

14. 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.

The total annual cost burden to the Federal Government is estimated at **\$85,774 (\$6,174 + \$79,600)**.

Form 1 – REAP Eligibility Spreadsheet

For Form 1, program costs entail reviewing completed spreadsheets for completeness; downloading data submitted electronically; calculating allocations; and notifying States of allocations for the State and districts.

SEAs must submit data to the Department during the fall of each year. Based on an

estimate of 49 forms prepared and submitted each year, the costs to the Federal government are estimated to be the following:

Downloading data submitted electronically	.5 hours/form X 49 forms X \$40/hour =	\$980
Reviewing spreadsheets for completeness:	1.5 hours/form X 49 forms X \$40/hour =	\$2,940
Calculating allocations	.5 hours/form X 49 forms X \$40/hour =	\$ 980
Notifying States of allocations for the State and districts.	.5 hours/form X 49 forms X \$40/hour =	\$ 980
	.5 hours/form X 49 forms X \$12/hour =	\$ 294
TOTAL		\$ 6,174

Form 2 - SRSA Application Package

For Form 2, program costs entail screening and reviewing applications for eligibility; and making grant awards.

Screening applications for eligibility	1500 hours X \$40/hour =	\$ 60,000
Making grant awards	490 hours X \$40/hour =	\$19,600
TOTAL		\$79,600

15. Reasons for any program changes or adjustments.

There is a program change increase of 17,406 annual burden hours and an adjustment increase of 5,500 responses. The burden for Form 1 has been decreased since the Department posted the package for 60-day public comment. The decrease is because the Department will not implement changes to the collection for spring 2017; rather it will do so in fall 2017. Since the previously approved package, the Department has also updated the hourly wage for SEA and LEA respondents to better approximate current salaries of the individuals who will be responsible for completing the spreadsheet.

Since the previously approved package, the large burden hour and cost increase for Form 2, the SRSA application package, is due to the marked increase in the number of applications the Department will receive on an annual basis since all eligible LEAs must re-apply annually in GRANTS.gov. Since over 4,000 LEA applicants have received SRSA awards in each of the previous five years, the Department estimates approximately 6,000 LEAs will submit applications for SRSA funding via GRANTS.gov each year. A large portion of the burden hour and cost estimates for the SRSA Application Package is associated with the required GEPA 427 statement that was not included in prior application packages. The burden for Form 2 increased slightly since the Department posted the package for 60-day public comment. This increase is due to the addition of ED Form 524 required for use of the electronic application portal

Grants.gov.

Since the previously approved package, the estimate of Federal burden hours has also been adjusted to reflect the increase in applications received from LEAs.

16. Plans for tabulation and publication.

The Department will publish the list of grantees under each program and their allocations. Allocations are based on the formulas required by the statute. No complex analytical techniques will be used.

17. Reasons not display the expiration date for OMB approval.

The information collection will display the expiration date for OMB approval.

18. Exception to the certification statement identified in the “Certification for Paperwork Reduction Act Submissions.”

There are no exceptions to the certification statement.

19. Collections of Information Employing Statistical Methods

This information collection will not employ statistical methods.