

The regulations in 34 CFR 668.28 provide that a proprietary institution must derive at least 10% of its annual revenue from sources other than Title IV, HEA funds, sanctions for failing to meet this requirement, and otherwise implement the statute by 1) specifying a Net Present Value (NPV) formula used to establish the revenue for institutional loans, 2) providing an administratively easier alternative to the NPV calculation, and 3) describing more fully the non-Title IV eligible programs from which revenue may be counted for 90/10 purposes. The regulations require an institution to disclose in a footnote to its audited financial statements the amounts of Federal and non-Federal revenues, by category, that it used in calculating its 90/10 ratio (see section 487(d) of the HEA).

This request is to extend the current approval of reporting requirements burden contained in the information collection package with OMB Control Number 1845-0096. The information collection requirements in the regulations are necessary to determine eligibility to receive program benefits and to prevent fraud and abuse of program funds.

The Department estimates the hours for proprietary schools to calculate and report the non-Title IV revenue (90/10) requirement will be 1 to 2 hours depending upon the calculation method selected by the institution.

Affected Entities and Burden:

	<u># of Respondents</u>	<u># of Responses</u>	<u># of Burden Hours</u>
Institutions:			
Proprietary (full NPV calculation)	936	936	X 2 hours = 1,872 hours
<u>Proprietary (50% of total loans)</u>	<u>936</u>	<u>936</u>	<u>X 1 hours = 936 hours</u>
TOTAL	1,872	1,872	2,808 hours

There has been no revision to the regulations published on October 29, 2009 requiring reporting of the specific 90/10 revenue. The change to the burden hours (-2,232) is an adjustment due to the decrease in the number of institutions (-1,488) required to report such information.

TOTALS

Responses	1,872
Respondents	1,872
Burden Hours	2,808