

**SUPPORTING STATEMENT
FOR PAPERWORK REDUCTION ACT SUBMISSION
Fiscal Operations Report for 2018-2019 and Application to Participate 2020-2021 (FISAP)
and Reallocation Form**

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 section¹. 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.

FISAP Form

The Higher Education Opportunity Act (HEOA) (P.L. 110-315) was enacted on August 14, 2008 and reauthorized the Higher Education Act of 1965, as amended, (HEA). It requires participating Title IV institutions to apply for funds and report expenditures for the Federal Perkins Loan (Perkins), the Federal Supplemental Educational Opportunity Grant (FSEOG) and the Federal Work-Study (FWS) Programs on an annual basis.

The data submitted electronically in the Fiscal Operations Report and Application to Participate (FISAP) is used by the Department of Education (the Department) to determine the institution's funding need for the award year and monitor program effectiveness and accountability of fund expenditures. The data is used in conjunction with institutional program reviews to assess the administrative capability and compliance of the applicant. There are no other resources for collecting this data. Sections of the Higher Education Act of 1965, as amended, that govern these programs can be found at <http://www2.ed.gov/about/offices/list/ope/library.html>.

The legislative authority governing the application for the distribution of Perkins funds is 20 U.S.C. 1087bb (34 CFR 673.3); for FWS funds it is 42 U.S.C. 2752 (34 CFR 673.3); and for FSEOG funds it is 20 U.S.C. 1070b-3 (34 CFR 673.3).

The legislative authority governing the annual report on the uses made of funds provided under the previous sections is 20 U.S. C. 1094.

Reallocation Form

The HEA requires that if an institution anticipates not using all of its allocated funds for the FWS, and FSEOG programs by the end of an award year, it must specify the anticipated remaining unused amount to the Secretary, who reduces the institution's allocation accordingly. Unused amounts are reported in Section A of the Reallocation Form.

¹ Please limit pasted text to no longer than 3 paragraphs.

The HEA also requires the Secretary to reallocate these unexpended funds before the appropriations expire on September 30, immediately following their release in this form. The data collected in Section B provides the minimum information needed by the Secretary to determine a fair and equitable distribution of supplemental FWS allocations for the purpose of furthering the program's community service goals.

Changes to the FISAP Form and Instructions

FISAP Form:

Part	Section	Field	Change
All	All		Deadline date and Award Year references updated.
I	A	5	New data fields added for FSEOG and FWS award amounts allocated to additional institutions. Change made to improve accountability of the reporting institution.
II	A	1 & 2	Marked field as n/a– no longer applicable due to expiration of the Perkins Loan Program.
III	B	1–8	Marked fields as n/a– no longer applicable due to expiration of the Perkins Loan Program.
III	B	12 & 13	New data fields added to accommodate changes in requirements due to the expiration of the Perkins Loan Program, and future cancellation reimbursements made by the Department.
IV	B	3	Marked field as n/a– no longer applicable due to expiration of the Perkins Loan Program.
V	B	4b	Marked field as n/a– no longer applicable due to expiration of the Perkins Loan Program.
VI	A	Columns a & b, 1–26	Marked fields as n/a– no longer applicable due to expiration of the Perkins Loan Program.
VI	B	2 & 23a	Marked fields as n/a– no longer applicable due to expiration of the Perkins Loan Program.

FISAP Form Instructions:

Part	Section	Field	Change
All	All		Deadline dates and Award Year references updated.
All	All		Hyperlinks validated and updated to reflect most current information.
All	All		Acronyms updated.
All	All		Clarified expiration of the Federal Perkins Loan Program and updated instructions for all impacted fields.
Intro & Part I	Reporting for Additional Institution		Added instructions for the new fields added to Part I, Field 5.

	s		
Intro	FISAP Signature Requirements		Added clarification on manual signature requirements.
III			Added instructions for new Perkins fields.
III	B		Clarified loan assignment process for cases of total & permanent disability.
III	B	12 & 13	Added instructions for new fields.
IV & V	E		Removed instruction on prior year recoveries.
VI	B		Added clarification on ACA requirements.

Changes to the Reallocation Form and Instructions

Reallocation Form:

Part	Section	Field	Change
		All	Deadline date and Award Year references updated.
		All	No changes to the data collection.

Reallocation Form Instructions:

Part	Section	Field	Change
		All	Deadline date and Award Year references updated.

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.

FISAP Form

The relative institutional financial need, which is the basis for computing by formula the amount of funds needed by each institution to operate one or more of the Campus-Based Programs during the application year, is determined by the data reported in the form. The data is used by the Department to assess program effectiveness and accountability of fund expenditures under the previously cited authority. In addition, the Department uses the data in conjunction with institutional program reviews to help assess the administrative capability of the applicant and enforce compliance.

- a) Application data provides a standard measure of institutional need used to distribute a level of funds for institutions requesting participation in one or more of the Campus-Based Programs.
- b) Application data provides base data that is sufficient, comprehensive and reliable to calculate annual funding formulas based on verifiable data input.
- c) Expenditure data is used to calculate past utilization of funds awarded for assessment of penalties, recovery of unexpended funds, and close-out of awards.

- d) Data regarding Perkins Loan collection activities are used to compute institutional cohort default rates, compile the Federal Perkins Loan Status of Default (Orange Book), and to track issuance of Perkins Loan cancellations for teaching; military; volunteer; law enforcement and corrections officer; child, family and early intervention; nurse and medical technician; pre-K or child care; public defender; fire fighter; Tribal College faculty; librarian; and speech pathology services.
- e) Data is maintained and made readily available to Department staff and other agencies for analysis, historical research, budget evaluations, audits, program reviews, and OIG inquiries.
- f) The FISAP on the Web information is processed in real-time into the database. Institutions that have not submitted the required signatures are automatically identified to withhold funding until the forms have been received and validated.
- g) The data collected is used to identify poorly administered operations that may require on-site monitoring, additional training of staff, or termination of funding in extreme cases.
- h) The information collected in this submission enables the Department to comply with legislation that authorizes and appropriates funds for the Campus-Based Programs.

Reallocation Form

The unexpended funds reported in the Reallocation Form are distributed by the Department as supplemental awards to qualifying institutions in accordance with provisions of the HEA. FWS funds will be awarded to eligible institutions that used at least five percent of their total FWS funds to compensate students employed as reading tutors to children or in family literacy activities as part of their community-service activities. Because FWS reallocated funds are distributed on a fair-share basis, institutions must have a fair-share shortfall to receive these funds. Institutions use the reallocated (supplemental) funds to compensate students employed in community service. Legislation requires the unexpended funds to be reported and redistributed. Collection of this information maximizes utilization of the appropriated funds, provides financial aid to needy students, and results in the Department's compliance with the reallocation provisions of the HEA.

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 the upcoming award year, institutions will continue to use the Department's electronic services to participate in the Title IV Programs. Institutions participating in the Campus-Based Programs must submit FISAP and campus-based funds reallocation data through COD at <https://cod.ed.gov>.

Electronic processing of both the FISAP and the Reallocation Form has eliminated printing costs, distribution, expense, data entry time, and reduced the cycle time and input errors. This process reduces institutional burden by using three years of information

already contained in the database to provide institutional characteristics to verify funding levels and reduce the number of staff necessary to process the information.

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.

FISAP Form

No other agency or system collects the information needed to determine the allocation of campus-based funds.

It had been anticipated that some Perkins data could be retrieved from NSLDS. However, as currently designed, it does not collect Perkins interest data and the timing of the submission of Perkins data to the Department through NSLDS and the manner in which it is collected limit its use as a substitute for Perkins reporting on the FISAP.

Section A of the Perkins Loan Report (FISAP, Part III) contains 89 cells of data. Section C contains 28 data cells. NSLDS does not contain sufficient historical information to populate the cells in these two sections which require data to be cumulative from the beginning of an institution's participation in Perkins. Section B of the Perkins Loan Report has 15 data cells. Two cells (loans advanced to students during the report year and principal and interest repaid by the borrowers for the same year) could conceivably be populated with data from NSLDS. Sections D and E contain Perkins cohort default rate data, which is not currently available from NSLDS. Review of the data needed for completion of the five sections of the Perkins Loan Report and the data available in NSLDS concludes that NSLDS data will not currently provide data that is compatible with either the historical or annual data collected on the FISAP.

FSEOG overpayment data is collected in NSLDS, but no FSEOG disbursement data is collected. No FWS data is collected in NSLDS.

NSLDS does not and cannot collect data that would sufficiently correspond to the type of data required from the FISAP for items such as annual award calculations, cohort default rate calculations, cumulative collections data, and prior year account reconciliation data. At this time, institutions will continue to be required to provide FISAP data in order for the Department to carry out required functions such as the calculation of allocations and possible Perkins cancellation reimbursements.

Reallocation Form

Similar information as is collected on the Reallocation Form is not available at the time it is needed. The Department must rely on the information being required by institutions at the end of each award year (June 30). The reporting and redistribution must be complete prior to September 30, or the authority to obligate these funds will expire.

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 collection of this information does not involve small businesses or other small entities. Information is collected only from Title IV eligible schools that participate in the Campus-Based programs.

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.

FISAP Form

If the FISAP data collection were not conducted or conducted less frequently, the Department would not be in compliance with authorizing legislation or appropriation legislation which requires annual distribution of appropriated funds on the basis of an annual application from eligible institutions.

Reallocation Form

If the data collection on the Reallocation Form were not conducted or conducted less frequently, the authority to redistribute the excess funds would expire on September 30 and the Department would not meet the legislative requirement to reallocate funds.

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.

There are no special circumstances inconsistent with these guidelines.

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.

FISAP Form

Campus-Based staff members in both operations and policy areas provide presentations and support for national and regional conferences. During these activities, staff members take all comments, recommendations, and suggestions made by institutions for use in determining the need for improvement or change to existing policies and procedures.

Frequent communication with institutions by the Campus-Based Call Center and Campus-Based staff provides additional information on the data being collected and on problems with electronic processing requirements. Comments from schools are shared with staff members and frequently included as possible improvements to existing procedures. Institutions continue to report favorably about the ease in completing and submitting the data electronically.

The Department's OMB clearance process allows further opportunity for comment on the FISAP through an announcement in the Federal Register at the onset of the clearance process. The Department accepts public comments on the FISAP during a 60-day time period. Revisions are made to the documents as deemed necessary based on the comments. The 60 day public comment period closed on April 23, 2019 and no comments were received. An additional 30-day comment period will be provided through another announcement in the Federal Register. Historically, institutions rarely submit comments on the FISAP. The Campus-Based Programs have been in operation for more than 40 years, and completion of the annual FISAP is a common practice for institutions.

Reallocation Form

The reporting of unexpended funds by institutions participating in the Campus-Based Program is required by the HEA. Institutions submit part of this information annually in the FISAP at a later date. The collection of this data is frequently discussed at financial aid conferences, and the financial aid community provides unsolicited comments through

their contacts with our Call Center and Campus-Based staff members. The Department accepts public comments on the FISAP during a 60-day time period. Revisions are made to the documents as deemed necessary based on the comments. The 60 day public comment period closed on April 23, 2019 and no comments were received. An additional 30-day comment period will be provided through another announcement in the Federal Register. Historically, institutions rarely submit comments on the Reallocation form.

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

There are no 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.² 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.

The Department makes no pledge about the confidentiality of the data.

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.

No questions of a sensitive nature are asked.

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.

² 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)

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.

FISAP Form

The FISAP data collection is composed of six parts. Part I is the institution's identification. Part II is the application for funds. Part III is the Federal Perkins Loan Report. Part IV is the FSEOG Report. Part V is the FWS Report. Part VI is the Program Summary. The amount of time required to complete the various parts of the form depends on: (1) the number of programs in which respondents are currently participating; (2) whether the respondent is a "first-time" or "continuing" applicant; and (3) the type of institution. However, we are confident in the assumption of hours stated in the matrix below. In general, institutions have structured their data collection processes so that information is readily accessible to complete the FISAP electronically. Identifying information is pre-populated on the FISAP from prior year data and common mathematical computations are automatically displayed, which reduces institutional burden. Data entry and process edits notify users of erroneous data entry or potential data issues. This assists with data entry, reduces review time, and reduces institutional burden.

The matrix below shows the respondent participation from the most recent FISAP submission available (October 1, 2018) in the various parts of the submission. The total amounts shown by institution type are unduplicated counts. The part breakdowns under each category of Institution are duplicated counts.

FISAP Respondent Type by Part (duplicated count)	Estimated Number of Respondents	Estimated Person Hours per Respondent Reporting	Estimated Person Hours per Respondent Record-Keeping	Total Hours	
Public					
Parts I & II – Application	1,560	2	2	4	

Part III – Federal Perkins Loan	578	4	4	8	
Part IV – FSEOG	1,548	2	2	4	
Part V – FWS	1,530	2	2	4	
Part VI – Summary	1,550	2	2	4	
Total for FISAP Respondents – Public Schools (unduplicated count)	<u>1,560</u>	<u>12</u>	<u>12</u>	<u>24</u>	<u>37,440</u>
FISAP Respondent Type by Part (duplicated count)	Estimated Number of Respondents	Estimated Person Hours per Respondent Reporting	Estimated Person Hours per Respondent Record-Keeping	Total Hours	
<i>Proprietary</i>					
Parts I & II – Application	777	2	2	4	
Part III – Federal Perkins Loan	75	4	4	8	
Part IV – FSEOG	747	2	2	4	
Part V – FWS	638	2	2	4	
Part VI – Summary	753	2	2	4	
Total for FISAP Respondents – Proprietary Schools (unduplicated count)	<u>779</u>	<u>12</u>	<u>12</u>	<u>24</u>	<u>18,696</u>
FISAP Respondent Type by Part (duplicated count)	Estimated Number of Respondents	Estimated Person Hours per Respondent Reporting	Estimated Person Hours per Respondent Record-Keeping	Total Hours	
<i>Private (Non-Profit)</i>					
Parts I & II – Application	1,452	2	2	4	
Part III – Federal Perkins Loan	892	4	4	8	
Part IV – FSEOG	1,392	2	2	4	
Part V – FWS	1,386	2	2	4	
Part VI – Summary	1,423	2	2	4	
Total for FISAP	<u>1,453</u>	<u>12</u>	<u>12</u>	<u>24</u>	<u>34,872</u>

Respondents – Private (Non-Profit) Schools (unduplicated count)					
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The FISAP and the Reallocation form contain separate Paperwork Burden Statements that contain an estimated average number of hours for completion. To determine the total burden hours for each respondent, the total annual burden hours for all respondents for all institution types has been divided by the total number of respondents for all institution types. The estimated average number of hours for completion of the FISAP has been calculated to be 24 hours per respondent.

	Total Number of Respondents	Total Annual Burden Hours – All Respondents	Total Burden Hours per Respondent
FISAP Total	3,792	91,008	24

Reallocation Form

The Reallocation Form data collection is composed of two sections. Section A requests unexpended allocation figures for the Campus-Based Programs. Section B requests information regarding supplemental FWS funds. The amount of time required to complete the two sections of the form depends on these variables: (1) the number of programs in which respondents are currently participating; and (2) whether or not an institution requests supplemental funds for community service activities.

The following matrix shows the respondent participation from the most recent Reallocation Form submission (August 13, 2018) in the two sections of the form. The amounts shown are unduplicated counts.

Reallocation Form Respondent Type by Part (duplicated count)	Estimated Number of Respondents	Estimated Person Hours per Respondent Reporting	Estimated Person Hours per Respondent Record-Keeping	Total Hours	
Public					
Section A	36	.5	.5	1	
Section B	27	.5	.5	1	
Total for Reallocation Form Respondents – Public Schools (unduplicated count)	<u>60</u>	<u>1</u>	<u>1</u>	<u>2</u>	<u>120</u>

Reallocation Form Respondent Type by Part (duplicated count)	Estimated Number of Respondents	Estimated Person Hours per Respondent Reporting	Estimated Person Hours per Respondent Record-Keeping	Total Hours	
<i>Proprietary</i>					
Section A	44	.5	.5	1	
Section B	3	.5	.5	1	
Total for Reallocation Form Respondents – Proprietary Schools (unduplicated count)	<u>47</u>	<u>1</u>	<u>1</u>	<u>2</u>	<u>94</u>
Reallocation Form Respondent Type by Part (duplicated count)	Estimated Number of Respondents	Estimated Person Hours per Respondent Reporting	Estimated Person Hours per Respondent Record-Keeping	Total Hours	
<i>Private (Non-Profit)</i>					
Section A	42	.5	.5	1	
Section B	19	.5	.5	1	
Total for Reallocation Form Respondents – Private (Non-Profit) Schools (unduplicated count)	<u>63</u>	<u>1</u>	<u>1</u>	<u>2</u>	<u>126</u>

The FISAP and the Reallocation form contain separate Paperwork Burden Statements that contain an estimated average number of hours for completion. To determine the total burden hours for each respondent, the total annual burden hours for all respondents for all institution types has been divided by the total number of respondents for all institution types. The estimated average number of hours for completion of the Reallocation form has been calculated to be 2.0 hours per respondent.

	Total Number of Respondents	Total Annual Burden Hours – All Respondents	Total Burden Hours per Respondent

Reallocation Form	170	340	2
Total			

TOTAL BURDEN FISAP AND REALLOCATION FORMS

The combined total for the FISAP and Reallocation Form has an estimated total of 3,962 responses with a total annual burden of 91,348 hours. We've used the Census Bureau National Industry-Specific Occupational Employment Wage Estimate for Educational Services (NAICS 611300 Colleges, Universities, and Professional Schools, Occupation Code 13-119 – May 2017) of \$29.28 per hour to calculate the estimated total cost for all respondents of \$2,674,669.

The data below shows the combined totals for the separate data provided in the FISAP and Reallocation data matrices above as well as the estimated Hour-Burden Salary Cost to respondent institutions.

Note: The change in cost to respondents is due to the increase in average per hour salary of respondents.

Summary of Burden Change for 1845-0030

	Responses	Burden Hours	Annual Salary Burden
Current	4,162	94,916	\$2,725,038
Renewal	<u>3,962</u>	<u>91,348</u>	<u>\$2,674,669</u>
Difference	200	3,568	\$ 50,369

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

Total Annualized Capital/Startup Cost :
Total Annual Costs (O&M) : _____
Total Annualized Costs Requested :

The nature of business for Title IV institutions (the respondents) is such that purchases of equipment and provision of services that are required for electronic processing of the FISAP and Reallocation form are a part of their customary and usual business practice. They are the type of equipment and services normally necessary to successfully operate any educational entity.

The requirement to transmit the FISAP and Reallocation Form data electronically is not considered an increase in burden for most institutions. Because thousands of institutions are already participating in other Title IV, they would have access to the Internet (web) in order to do business with the Department.

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.

Below describes the separate costs for the FISAP and the Reallocation Form and the combined total annual cost to the Federal Government of \$2,906,199.

FISAP Form

FISAP Cost for Development of COD FISAP on the Web \$0

Many tasks must be performed in order to develop the FISAP on the Web and make it available to campus-based participants. Some of the major costs include the costs for contractor services, the development of web server programs, the Technical Reference, documents for posting on the web (i.e. Electronic Announcements), and the FISAP Form and Instructions Booklet. The amount below reflects the cost all of these campus-based programs to the Department. There are no funds designated for Development at this time.

FISAP Publication and Distribution Costs \$0

The FISAP on the Web cost is replacing the old Publication & Distribution Cost calculation because it is no longer needed.

FISAP Operations & Maintenance Contract Costs Total (8 months) \$729,440

The cost of collecting and maintaining the data is justified because FISAP data is made available to, and widely used, throughout the Department for analysis, historical research, budget evaluations, audits, program reviews, OIG inquiries, etc. In addition, the information collected justifies institutional funding for the next award period.

The current annual O&M costs for the Campus-Based processing system includes the FISAP and Reallocation forms as well as the TCLI Directory*, Work Colleges Application and Expenditure forms**, and the CTP-Intellectual disabilities form***.

*The TCLI Directory is a separate data collection with OMB control number 1845-0077.

**The number of schools participating in the Work Colleges program is at 9 participants with OMB control numbers 1845-0152 and 1845-0153.

***The CTP is a separate data collection with OMB control number 1845-0113.

Note:

Annual O&M Contract cost: \$1,094,160.00= monthly cost \$91,180.00 allotted as:

FISAP (8 months) = \$729,440.00

Reallocation (1 month) = \$91,180.00

TCLI Directory (1 month) = \$91,180.00

Work Colleges (1 month) = \$91,180.00

CTP-Intellectual Disabilities (1 month) = \$91,180.00

FISAP Staffing Operations and Overhead Costs Yearly Staff Costs \$896,679.60

A staff of 8.25 FTE's is required for the operation of the campus-based programs and the electronic processing system. This includes the FISAP and Reallocation forms as well as the TCLI Directory, Work Colleges Application and Expenditure forms, and the CTP-Intellectual disabilities form as noted above. As the driving force in these operations, the FISAP is the instrument by which institutions request campus-based funding and report program expenditures. The FISAP provides the data that is required to perform a variety of processes such as funding calculations, program compliance, analysis, customer service, information publication and distribution, accounting and fund control, etc. The types of program staff include managers, accountants, financial management specialists, technicians, systems analysts, and clerical staff.

Using the Salary Table 2018-GS Effective January 2018, the average hourly wage of the current staff composition is \$52.14. The total estimated annual salary of the 8.25 FTE's is \$936,306

Note:

The total amount of annual salaries devoted Campus-Based activities is divided as:

Reallocation (3 staff @ 120 hrs ea x \$52.14) = \$18,770.40

TCLI Directory (1 staff @ 80 hrs x \$52.14) = \$4,171.20

Work Colleges (1 staff @ 160 hrs x \$52.14) = \$8,342.40

CTP-Intellectual Disabilities (1 staff @ 160 hrs x \$52.14) = \$8,342.40

FISAP (Total proportioned annual salary less Reallocation, TCLI Directory, Work Colleges, CTP-Intellectual Disabilities) = \$896,679.60

FISAP Yearly Overhead Costs

Yearly Overhead Costs \$ 143,469

A standard budget estimate of 16% was used to determine the overhead costs of staff operations including such items as equipment, utilities, work materials, etc. ($\$896,679.60 \times 16\% = \$143,468.64$)

Total Staff and Overhead Costs \$ 1,040,148

Reallocation Form

Reallocation Form Publication and Distribution

\$0

Publication and distribution cost to the campus-based programs has been eliminated. The conversion to the FISAP on the web has transferred all costs, including software production and distribution, into the overall contract for services made by the Department.

Reallocation Form Operations & Maintenance Contract Costs Total (1 month)
\$ 91,180

Reallocation Form Staffing Operations and Overhead Costs Yearly Staff Costs
\$ 18,770

A staff of 3 is required for the operation of the campus-based programs Reallocation process. While the FISAP is the instrument by which institutions request campus-based funding and report program expenditures, the Campus-Based Reallocation Form is used to provide information that is needed prior to the annual submission of the FISAP.

The 3 program staff members include managers, accountants and systems analysts. Of that staff, each of the three employees worked 120 hours per year on the Reallocation process for a total of 360 hours worked for the office. This process takes approximately two half-months to complete for a yearly cost of \$18,770.40 (120 hours x 3 employees x \$52.14 average hourly rate).

Reallocation Form Yearly Overhead Costs Yearly Overhead Costs \$ 3,003

A standard budget estimate of 16% was used to determine the overhead costs of staff operations including such items as equipment, utilities, work materials, etc. ($\$18,770.40 \times 16\% = \$3,003.26$)

Total Staff and Overhead Costs \$ 21,773

FISAP and Reallocation Form Combined Total Cost to Federal Government

Cost for Development of FISAP on the Web	\$	0
O&M Costs to the Federal Government	\$	820,620
<u>Staff Operations and Overhead Costs</u>	<u>\$</u>	<u>1,061,921</u>
Total	\$	1,882,541

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).

There is a decrease in the number of institutions filing the FISAP and Reallocation forms, so there is a decrease in the number of corresponding burden hours, as noted below.

Current FISAP & Reallocation Form Total Annual Burden Hours	94,916
Changes to FISAP & Reallocation Form Total Annual Burden Hours	-3,568
New proposed FISAP & Reallocation Form Total Annual Burden Hours	91,348

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.

This information collected on the FISAP and the Reallocation form is not collected for statistical publication

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 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 certification statement.