

# Supporting Statement A

## Scholarships for Disadvantaged Students Program

OMB Control No. 0915-0149

### Revision

Terms of Clearance: None

#### A. Justification

##### 1. Circumstances Making the Collection of Information Necessary

This is a request for approval from the Office of Management and Budget (OMB) submitted by the Health Resources Services Administration (HRSA) for revision of the Scholarships for Disadvantaged Students (SDS) Program application package. The SDS package includes application forms, instructions, and data reporting and collection. The SDS Program's current OMB approval will expire March 31, 2020.

The SDS program is authorized by section 737 of the Public Health Service (PHS) Act. The purpose of the SDS program is to promote diversity among health profession students and practitioners by providing funds to eligible schools for use in awarding scholarships to full-time financially needy students from disadvantaged backgrounds enrolled in health profession and nursing programs.

Schools that are eligible for the SDS program are schools of medicine, dentistry, osteopathic medicine, pharmacy, optometry, physical therapy, podiatric medicine, and veterinary medicine, schools of nursing, public health, allied health, chiropractic, and graduate programs in clinical psychology, clinical social work, professional counseling, marriage and family therapy, and physician assistants training.

To qualify for participation in the SDS program, a school must carry out a program for recruiting and retaining students from disadvantaged backgrounds, including students who are members of racial and ethnic minority groups (section 737(d)(1)(B) of the PHS Act). In order to meet this statutory requirement, a school must demonstrate that its program has achieved success based on the number and/or percentage of disadvantaged students who are enrolled and graduate from the school. In awarding SDS funds to eligible schools, priority points must be given to schools based on the proportion of graduate students practicing in primary care, the proportion of full-time underrepresented minority students, and the proportion of graduates working in medically underserved communities (section 737(c) of the PHS Act).

Below is a discussion of each application form and accompanying instructions, as well as the documentation required by the SDS Program.

## **2. Purpose and Use of Information Collection**

HRSA uses the data to determine eligibility and priority points for each SDS grantee.

### **SDS Application**

The information collected for the SDS application is needed by HRSA to determine whether applicant schools are eligible to participate in the program and to establish priority points for funding. Applicant schools are required to complete an application for each discipline or program for which funding is requested. Each school determines the eligibility of individual students based on financial need and whether a student meets the criteria for being from a disadvantaged background.

The SDS application is prepared and submitted electronically through Grants.gov. The SDS Notice of Funding Opportunity (NOFO) is available through Grants.gov, including the Program Specific Forms and Instructions. Applicants use the SF 424 R & R as the Application forms package. In order to submit the application electronically, all applicants must register in Grants.gov.

### **Program Specific Form**

Each grantee must demonstrate that at least 20 percent of the students enrolled and graduated are from disadvantaged backgrounds using data from the past three academic years. Disadvantaged background can be demonstrated by students' educational, environmental, or economical background. Educational and environmentally disadvantaged means an individual comes from an environment that traditionally inhibits people from obtaining the knowledge, skills, and abilities required to enroll in and graduate from a health professions school, or from a program providing education or training in an allied health profession. Economically disadvantaged means an individual comes from a family with an annual income that does not exceed 200 percent of the Department's poverty guidelines. The income threshold is adjusted annually for changes in the Consumer Price Index, and adjusted by the Secretary of the U.S. Department of Health and Human Services (HHS), for use in all health professions programs.

2018 Low-Income Levels (200 percent of HHS Poverty Guidelines)			
	Income Level **		
Size of parents' family*	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$24,280	\$30,360	\$27,920

2	32,920	41,160	37,860
3	41,560	51,960	47,800
4	50,200	62,760	57,740
5	58,840	73,560	67,680
6	67,480	84,360	77,620
7	76,120	95,160	87,560
8	84,760	105,960	97,500
For each additional person, add	\$8,640	\$10,800	\$9,940

\*Includes only dependents listed on federal income tax forms. Some programs will use the student's family rather than his or her parents' family.

\*\*Adjusted gross income for calendar year 2017.

SOURCE: Federal Register, Vol. 83, No.29, February 12, 2018, pp. 6039-6040  
<https://www.govinfo.gov/content/pkg/FR-2018-02-12/pdf/2018-02707.pdf>

Grantees use this form to provide data on full-time student enrollment and the racial and ethnic backgrounds of those students. Racial background choices include American Indian or Alaska Native, Black or African American, Asian, Native Hawaiian or Pacific Islander, White, More than One Race, and Race Not Reported. Ethnic background choices include Hispanic or Latino, and Non-Hispanic/Non-Latino.

Grantees use this form to provide data on full-time student enrollment and race/ethnicity of those students, disadvantaged full-time enrollment by class year, full-time students graduated, full-time disadvantaged students graduated, and full-time graduates serving in medically underserved communities. Numbers of full-time graduates serving in primary care must be provided only for schools of medicine, osteopathic medicine, dentistry, nursing (graduate degree program), physician assistants, dental hygiene, and mental and behavioral health.

Additionally, SDS uses this data to award priority points as authorized in Section 737(c) of the PHS Act to schools based on the proportion of graduate students practicing in primary care, the proportion of full-time underrepresented minority (URM) students, and the proportion of graduates working in medically underserved communities. Those schools with the largest proportion of graduates working in primary care, highest URM full-time students' enrollment, and graduates working in medically underserved communities receive the most points.

Consequently, the form collects data on the full-time student enrollment and graduate data for the past three academic years, including information on students' ethnic and racial identification, and the proportion of graduates working in primary care and medically underserved areas or populations.

Additionally, this form collects information on accreditation, length of program, requested award amount, and recruitment and retention efforts. SDS collects the data

on the program specific form to analyze institutional factors at high performing grantees for replication and encouragement in future NOFOs.

### **Proposed Revisions**

The purpose of the SDS Program is to make grant awards to eligible schools to provide scholarships to full-time, financially needy students from disadvantaged backgrounds enrolled in health professions programs. To qualify for participation in the SDS program, a school must be carrying out a program for recruiting and retaining students from disadvantaged backgrounds, including students who are members of racial and ethnic minority groups (section 737(d)(1)(B) of the Public Health Service (PHS) Act). To meet this requirement, a school must show that at least 20 percent of the school's full-time enrolled students and graduates are from a disadvantaged background. HRSA previously required schools to demonstrate this percentage by submitting 1 year of data; a school must now provide this data for the most recent 3-year period. The proposed revisions to the SDS program-specific form will require applicants to provide the percentage of full-time enrolled students and graduates from a disadvantaged background over a 3-year period, consistent with this policy change.

An additional change to the SDS program is that a 3 year average, instead of a 1 year data will be used to calculate priority points, which are provided to eligible schools based on the proportion of graduating students going into primary care, the proportion of underrepresented minority students, and the proportion of graduates working in medically underserved communities (section 737(c) of the PHS Act). The proposed revisions to the SDS program-specific form will require applicants to provide a 3 year average for these percentages, consistent with this policy change, as opposed to the 1 year of data previously required.

### **3. Use of Improved Information Technology and Burden Reduction**

The entire application, including the Program Specific data forms, are completed in the Grants.gov system.

### **4. Efforts to Identify Duplication and Use of Similar Information**

Information requested in the application is specific to the applicant and is unique to this program.

### **5. Impact on Small Businesses or Other Small Entities**

This data collection will not have a significant impact on a substantial number of small entities. Only the minimum information necessary to make awards is requested.

### **6. Consequences of Collecting the Information Less Frequently**

The information requested in the application is collected during each application

cycle. In the absence of collection of these data, the review, selection, and approval of qualified applicants could not be carried out.

**7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5**

The information collected is consistent with the Guidelines in 5 CFR 1320.5(d)(2).

**8. Comments in Response to the Federal Register Notice/Outside Consultation**

**Section 8A:**

A 60-day Federal Register Notice was published on August 8, 2019, volume 84, No. 153, pages 38998-38999. There were no comments.

**Section 8B:**

SDS program staff contacted the following grantees during May/September 2019 regarding the format, content of data to be collected, and time to complete the application and report. Based upon program experience in the past and recent comments from the schools, an average of 31 hours is required to complete the application.

Dr. Rebecca Morrow  
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Lewisburg, WV  
(304) 793-6591

Dr. Carrie King  
Project Director  
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Milwaukee, WI  
(414) 930-3262

Dr. Kevin Borders  
Project Director  
Spalding University  
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Dr. Steve Katsikas  
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Dr. Kim Dell 'Angela  
Project Director  
Chicago School of Professional Psychology  
Chicago, IL  
(312) 488-6050

Dr. Karen S. Thacker  
Project Director  
Alvernia University  
Reading, PA  
(610) 796-8306

**9. Explanation of any Payment/Gift to Respondents**

Respondents will not receive any payments or gifts.

**10. Assurance of Confidentiality Provided to Respondents**

The HRSA Privacy Act Coordinator has determined that a system of records notice is not required because the participating institutions maintain the student records associated with these programs. Identifiable information is submitted through the Grants.gov system. Data will be kept private to the extent allowed by law.

**11. Justification for Sensitive Questions**

We collect data on the race/ethnicity of enrolled students to determine whether the applicant is eligible to receive SDS funds by demonstrating at least 20 percent of the applicant's enrollees and graduates are from disadvantaged backgrounds. Additionally, the same data is used to determine if an applicant qualifies for the statutory funding-priority points under section 737(c) of the PHS Act based on three priority areas:

1. The proportion of graduating students going into primary care;
2. The proportion of underrepresented minority enrolled students; and
3. The proportion of graduates working in medically underserved communities.

To be eligible for this priority, applicants must have a certain percentage for each of three priority areas. Applicants receive two priority points for each priority area they demonstrate 15-29.99 percent compliance, three points for 30-49.99 percent compliance and four points for 50 percent or more.

## **12. Estimates of Annualized Hour and Cost Burden**

The estimated burden hours are reflected in the following table:

### **12A. Estimated Annualized Burden Hours**

<b>Type of Respondent</b>	<b>Form Name</b>	<b>Number of Respondents</b>	<b>Number of Responses per Respondent</b>	<b>Total Responses</b>	<b>Average Burden per Response (in hours)</b>	<b>Total Burden Hours</b>
Eligible Applicants	SDS Application	323	1	323	31	10,013
Total		323		323		10,013

#### Basis for estimates:

Application: The next anticipated SDS competition cycle will be in FY 2020. The number of SDS applicants is estimated to be approximately 323. Each applicant must complete one application. The application consists of general information, instructions, and a data form. Some information should be readily available and some tracking of graduates will be necessary in order to provide the information necessary to satisfy the eligibility requirements and request priority points. Based on conversations with schools that are familiar with the program, they estimate that it will take approximately 31 hours to review the instructions, collect data, and complete the form **(323 applicants X 31 hours/response = 10,013 hours of response burden)**.

### **12B. Estimated Annualized Burden Costs**

<b>Type of Respondent</b>	<b>Total Burden Hours</b>	<b>Hourly Wage Rate</b>	<b>Total Respondent Costs</b>
Eligible Applicants	10,013	\$90.72	\$908,379.36
Total	10,013		\$908,379.36

Source: <https://www.bls.gov/ooh/management/postsecondary-education-administrators.htm>. The hourly rate was doubled to account for employer overhead and fringe benefits.

We estimate that the costs to the public will be \$908,379.36 (31 hours X \$90.72/<sup>1</sup> hour = \$ 2,812.32 x 323 applicants = \$908,379.36). An average wage rate for an employee to process the form for the SDS program application is \$ 90.72 per hour.

We estimate that the total cost to the public for the application will be \$454,190.

### **13. Estimates of other Total Annual Cost Burden to Respondents or Recordkeepers/Capital Costs**

Schools will have no capital and start-up costs and no operational and maintenance costs.

### **14. Annualized Cost to Federal Government**

A total annual amount of \$24,844 cost to the Federal Government (includes staff and REI contract) for the SDS Application.

The staff cost for application format, updates to program guidance, application acceptance, reviews and analysis of an estimated 323 applicants per year is expected to be \$14,844 (10% salary of one GS-14-9, Washington DC Locality Area) for the year.

In addition, the contractors, REI Systems, Inc., provide maintenance on the EHB system for \$10,000 a year.

### **15. Explanation for Program Changes or Adjustments**

The current hour burden inventory is 5,200 hours while this revised information collection request is for 10,013.

In FY 2016, we estimated 400 applications would be submitted. We have decreased the number of applications expected for 2020 to 323 applications, as only 323 applications were received in FY 2016.

In FY 2016, schools had to provide one year of data to demonstrate their eligibility and to receive priority points. In FY 2020, schools will be required to provide the average for the most recent three-year period. A three-year average is a more accurate portrayal of school enrollment patterns than one year. This change will allow SDS to support the grantees who have demonstrated a commitment over time to serving students from disadvantaged backgrounds. The SDS program will allow an exception for newly established schools; that is, schools that have not been in existence long enough to have three years of enrollment and graduation data. However, these schools will be required to demonstrate that at least 20 percent of the school's full-time students are students from disadvantaged backgrounds, with at least two years of student enrollment, and at least one year of graduation data.

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<sup>1</sup> This rate has been doubled to account for employer overhead and fringe benefits.



## **16. Plans for Tabulation, Publication, and Project Time Schedule**

Tabulation and analysis is currently performed on the information collected to improve program management, evaluate the program outcomes, and report to the Congress and the Department, as needed. We are requesting a three (3) year clearance for the SDS application.

Application: The project period is five (5) years. The first year of the project period is July 1, 2020 –June 30, 2021. The second year of the project period will be July 1, 2021 – June 30, 2022. All subsequent years will run from July 1 of one year to June 30 of the next year. Funding beyond the first year is dependent on the availability of appropriated funds for the SDS program in subsequent fiscal years, grantee satisfactory performance, and a decision that continued funding is in the best interest of the Federal Government. The next application cycle is anticipated to be in FY 2020, and we will need to publish a NOFO for the program.

Data is provided on full-time student enrollment and race/ethnicity of full-time students, disadvantaged full-time enrollment by class year, full-time students graduated, full-time students from disadvantaged backgrounds graduated, and full-time graduates serving in medically underserved communities. Numbers of full-time graduates serving in primary care must be provided only for schools of medicine, osteopathic medicine, dentistry, nursing (graduate degree program), physician assistants, dental hygiene, and mental and behavioral health.

## **17. Reason(s) Display of OMB Expiration Date is Inappropriate**

The expiration date will be displayed.

## **18. Exceptions to Certification for Paperwork Reduction Act Submissions**

This fully complies with the guidelines set forth in 5 CFR 1320.9. The certifications are included in the package.