

SUPPORTING STATEMENT  
FOR PAPERWORK REDUCTION ACT SUBMISSION

1840-0857 – Eligibility of Students at Institutions of Higher Education for Funds under the CARES Act

- 1. Explain the circumstances that make the collection of information necessary. What is the purpose for this information collection? Identify any legal or administrative requirements that necessitate the collection. Include a citation that authorizes the collection of information. 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, list the sections with a brief description of the information collection requirement, and/or changes to sections, if applicable.**

Under the current unprecedented national health emergency, Congress and the Executive Branch came together to offer relief to those individuals and industries affected by the COVID-19 virus under the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act), Pub. L. No. 116-136 (March 27, 2020) .

Section 18004 of the CARES Act establishes the Higher Education Emergency Relief Fund (HEERF) and instructs the Secretary to allocate funding to eligible institutions in connection with the COVID–19 outbreak. It requires the institutions to use no less than fifty percent of the funds received to provide emergency financial aid grants to students for expenses related to the disruption of campus operations due to coronavirus (including eligible expenses under a student’s cost of attendance such as food, housing, course materials, technology, health care, and childcare).

On June 17, 2020, the Department of Education (the Department) published an interim final rule (IFR) in the *Federal Register* (85 FR 36494), in which, for purposes of the phrases “grants to students” and “emergency grants to students” in section 18004(a)(2), (a)(3), and (c) of the CARES Act, “student” was defined as an individual who is, or could be, eligible under section 484 of the Higher Education Act of 1965, as amended (HEA), to participate in programs under title IV of the HEA.

Under the IFR, by applying this definition, it was believed that institutions would establish or modify processes to ensure student eligibility for the funds allotted to the institutions under the CARES Act. Additionally, there would be burden to students who wish to apply for the funds being made available, if they have not already established title IV eligibility (which is typically established by submitting the Free Application for Federal Student Aid (FAFSA®) and receiving a valid Student Aid Report (SAR).

Based on comments received on the IFR and further review of the CARES Act, including in light of legal challenges, the Department has been persuaded that this definition was too prescriptive. In the final rule the Department is removing the requirement that a student must be eligible for title IV aid to receive financial assistance under the HEERF

programs and clarifying in the definition of “student” that any individual who is or was enrolled at an eligible institution on or after the date the national emergency was declared for COVID-19 may qualify for assistance under the HEERF programs.

An emergency collection, 1840-0844, was approved by OMB on June 17, 2020 for the burden assessed to both institutions and students as noted in the IFR and information collection request (ICR) supporting statement. The emergency collection had an expiration date of December 31, 2020. The comment period for the ICR closed August 18, 2020. Of the four comments received for the ICR two were substantive comments that echoed comments filed for the IFR. The emergency clearance lapsed without responding to the comments, filing a 30-day public comment period request for the ICR or filing a request to discontinue the ICR.

The Department is requesting an extension of approval for this ICR (1840-0857), currently cleared under emergency processing, to allow for outreach to institutions to clarify these changed requirements of the Final Rule. There is no form attached to this ICR. This collection will help to ensure that the distribution of CARES Act funds is managed by institutions in accordance with this clarification as discussed in the Final Rule.

- 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 will be used by the institutions to support the determination of student eligibility for funds allocated to institutions and the reporting that is required under separate information collections, 1801-0005, 1840-0842, and 1840-0843.

- 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. Please identify systems or websites used to electronically collect this information. Also describe any consideration given to using technology to reduce burden. If there is an increase or decrease in burden related to using technology (e.g. using an electronic form, system or website from paper), please explain in number 12.**

The Department anticipates that institutions will employ electronic collection methods to allow for the quickest method of determining a student’s eligibility for the additional funds.

- 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.**

Due to the temporary nature of the funding, and the establishing definition of students for those funds, there is no duplication of information.

- 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 Department does not believe the requirements will adversely impact any institution that may meet the small entity designation.

- 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 this collection is not allowed to proceed, institutions may not be able to provide the financial assistance to students in conjunction with the Department's revised interpretation of the CARES Act.

- 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.**

Institutions utilizing an institutional application form would need to ensure the data received on such a form would be retained and secured in the proper manner until the accounting of the CARES Act funds is complete, which may be outside of the three year record retention requirements.

- 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.**

**Include a citation for the 60 day comment period (e.g. Vol. 84 FR ##### and the date of publication). Summarize public comments received in response to the 60 day notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden. If only non-substantive comments are provided, please provide a statement to that effect and that it did not relate or warrant any changes to this information collection request. In your comments, please also indicate the number of public comments received.**

**For the 30 day notice, indicate that a notice will be published.**

**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 previously received emergency approval from OMB for this collection. In an effort to comply with the Paperwork Reduction Act, the Department published a 60 day notice for public comment on September 24, 2021. The Department has reviewed and responded to all comments submitted.

A 30 day Federal Register notice for public comment will be published as required. The Department will respond to comments received as a result of that notice.

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

No payments or gifts have been provided 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.<sup>1</sup> 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. If no PII will be collected, state that no assurance of confidentiality is provided to respondents. If the Paperwork Burden Statement is not included physically on a form, you may include it here. Please ensure that your response per respondent matches the estimate provided in number 12.**

There is no assurance of confidentiality as this collection does not require PII level reporting.

- 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.**

The Department is not specifying information to be collected on any institutional form for the purpose of determining eligibility under the CARES Act funding and cannot provide justification for questions of a sensitive nature.

- 12. Provide estimates of the hour burden for this current information collection request. The statement should:**
- **Provide an explanation of how the burden was estimated, including identification of burden type: recordkeeping, reporting or third party disclosure. Address changes in burden due to the use of technology (if applicable). Generally, estimates should not include burden hours for customary and usual business practices.**
  - **Please do not include increases in burden and respondents numerically in this table. Explain these changes in number 15.**
  - **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. Unless directed to do so, agencies should not conduct special surveys to obtain information on**

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<sup>1</sup> 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)

**which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable.**

- **If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burden in the table below.**
- **Provide estimates of annualized cost to respondents of the hour burdens for collections of information, identifying and using appropriate wage rate categories. [Use this site](#) to research the appropriate wage rate. 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. If there is no cost to respondents, indicate by entering 0 in the chart below and/or provide a statement.**

The Department believes some institutions have or will establish an automated institutional form to allow students to request these additional funds. We believe that many institutions expanded their current financial aid appeals process and utilize that framework to receive requests for COVID-19 assistance from eligible students. We estimate that for institutions to set up any institutional application or other process to review student requests and establish review and recordkeeping procedures to be able to comply with the separate reporting requirements in the Certification and Agreement between the institutions and the Secretary would require five hours.

The estimated burden for the 1,651 private institutions is 8,255 hours (1,651 x 5 hours). The estimated burden for the 1,641 proprietary institutions is 8,205 hours (1,641 x 5 hours). The estimated burden for the 1,844 public institutions is 9,220 (1,844 x 5 hours). The total burden to all institutions receiving an allocation of funds is 25,680 hours (5,136 institutions x 5 hours).

The Department believes that the broader definition of “student” in this final rule increases the universe of students eligible to receive funds. Using the unduplicated head count for 2018-2019 as reported by IPEDS, the number of enrolled students is calculated at 26,685,592. We estimate that 60 percent, or 16,011,355 of those eligible students may request additional aid from their institution based on changed circumstances due to the coronavirus. We believe the time for students to make a request for additional funds from their institution would take approximately 5 minutes per student for a total student burden of 1,280,908 hours (.08 hours x 16,011,355 students).

**Estimated Annual Burden and Respondent Costs Table**

Information Activity or IC (with type of respondent)	Number of Respondents	Number of Responses	Average Burden Hours per Response	Total Annual Burden Hours	Estimated Respondent Average Hourly Wage	Total Annual Costs (hourly wage x total burden hours)
Individual	16,011,355	16,011,355	.08 hours	1,280,908	\$17.50	\$22,415,890
For-Profit Institution	1,641	1,641	5 hours	8,205	\$46.87	\$384,568
Private Institution	1,651	1,651	5 hours	8,255	\$46.87	\$386,912
Public Institution	1,844	1,844	5 hours	9,220	\$46.87	\$432,141
Annualized Totals	16,016,491	16,016,491		1,306,588		\$23,619,511

*Please ensure the annual total burden, respondents and response match those entered in IC Data Parts 1 and 2, and the response per respondent matches the Paperwork Burden Statement that must be included on all forms.*

**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** :

There is no additional cost aside from that identified in item 12.

- 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.**

There is no additional cost to the Federal government.

- 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).**

	<b>Program Change Due to New Statute</b>	<b>Program Change Due to Agency Discretion</b>	<b>Change Due to Adjustment in Agency Estimate</b>
<b>Total Burden</b>			
<b>Total Responses</b>			
<b>Total Costs (if applicable)</b>			

There are no changes to the burden estimates currently on file.



- 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.**

The results of this information collection will not be published.

- 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.**

The Department is not requesting any exceptions to the "Certification for Paperwork Reduction Act Submissions."