

**SUPPORTING STATEMENT  
FOR PAPERWORK REDUCTION ACT SUBMISSION  
Federal Work Study (FWS) Wages for Student Aid Index**

- 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.**

This is a request for an extension of this information collection based on a program change. This collection is used to gather information available to participating institutions of higher education (IHE) which is required to fully calculate eligibility for title IV student financial aid for applicants under the Higher Education Act of 1965, as amended (HEA).

The FAFSA Simplification Act ([P. L. 116-260](#)) introduced a change to the manner in which the Department of Education (ED) may obtain the amount of income an applicant has earned from work under the Federal Work Study (FWS) Program, for the purposes of calculating the applicant's student aid index (SAI) and determining their eligibility for certain Title IV aid. Pursuant to Sec 483(a)(2)(F) of the FAFSA Simplification Act, ED is required to collect an applicant's income earned under the FWS program from the IHE participating in the FWS program, and can no longer add additional questions to the FAFSA to obtain this information from the FAFSA applicant.

**SEC. 483(a)2.F**

*“(F) Work study wages.--With respect to an applicant who has received income earned from work under part C of this title, the Secretary shall take the steps necessary to collect information on the amount of such income for the purposes of calculating such applicant's student aid index and scheduled award for a Federal Pell Grant, if applicable, without adding additional questions to the FAFSA, including by collecting such information from institutions of higher education participating in work-study programs under part C of this title.”*

- 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.**

FWS student wage data is required to perform calculations of SAI for FAFSA applicants who earned FWS wages in the relevant calendar year, beginning with calendar year 2022 for use in the 2024-25 FAFSA. Amounts will be collected from institutions of higher education in the Common Origination and Disbursement (COD) System for all FWS wage

earners for a given calendar year (2022 and forward), and will be transmitted to the FAFSA Processing System (FPS) (formerly the Central Processing System/CPS) for use in performing the SAI calculation (for the 2024-25 FAFSA and forward). See the following table for further details.

Data being collected	Use of data	Where data will be held
Student SSN	Student identifier, FAFSA matching	COD/FPS
Student Name	Student identifier, FAFSA matching	COD/FPS
Student DOB	Student identifier, FAFSA matching	COD/FPS
CPS Transaction Number	Student identifier, FAFSA matching	COD/FPS
FWS Wages	SAI formula variable	COD/FPS
Calendar Year	FAFSA matching	COD

- 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.**

FSA's Common Origination and Disbursement (COD) system was determined to be the most logical and practical system of record to receive and retain student level FWS earnings. The COD system currently provides a variety of functions for administering students award and disbursement data for Pell, Direct Loan, and TEACH Grant Programs, and is currently utilized to report aggregate FWS information (and to report for the other Campus-Based Programs) through the Fiscal Operations Report and Application to Participate (FISAP).

To allow institutions of higher education maximum flexibility and automation for reporting student FWS wages, a Campus-Based Schema will be built in COD. The Campus-Based Schema will enable institutions to leverage their software systems to transmit FWS data to COD in batches. Additionally, functionality is being added to the COD System that will enable institutions to report and update FWS wage data by individual student.

To transmit FWS wage data from COD to the FAFSA Processing System (FPS) so that it can be utilized within the SAI calculation, a system interface is also being created. The

exchange of FWS wage data between COD and FPS will take the form of a real-time, request and response exchange, whereby the data will be requested and retrieved (if available) by FPS with each FAFSA submission, and not retrieved by FPS if there is no associated FAFSA submission for the FWS wage earner reported in COD.

See the attached 2023-2024 COD Technical Reference Volume 4, and schema flow attached to this collection as instruments for further explanation of the submission of the FWS data.

**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.**

While student FWS wage data was previously collected on the FAFSA (though it was consolidated and reported along with other forms of need-based employment earnings), effective with the 2024-25 AY, the data will no longer be collected in CPS/FPS as part of the FAFSA submission.

FWS wage data at the person/student-level is otherwise not currently collected in any other ED system. While the FISAP (OMB 1845-0030) collects aggregate FWS data only which can not be used for this purpose.

**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.**

No small businesses are effected by this collection.

**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.**

Not conducting this collection, or collecting FWS wage data less frequently, would result in a incomplete or miscalculated SAI for those FWS wage earners who complete a FAFSA. This could potentially impact their eligibility for certain Title IV aid in a manner that would be detrimental to the student, as the SAI formula treats the amount of income earned through the FWS program as an offset to the student's total income.

**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.**

**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 Federal Register was published on March 14, 2023 (Vol. 88, No. 49, pages 15682-15683) requesting public comment. Eighteen comments were received. Seven comments expressed concerns regarding the scope of information being included in this data collection due to the limited information made available at the time of publication. On May 23, the updated version of Volume 4 of the COD Technical Reference was posted, clarifying the required data elements for this collection.

Twelve comments expressed concerns about the administrative burden placed on schools to meet this requirement, and the complexity of pulling the requested data. In light of these comments, changes have been made to the burden hours estimate for this collection, to account for the total number of FWS earners at each IHE as one response, as well as to account for the initial system setup that will be required of IHEs.

The Federal Register was published on June 12, 2023 (Vol. 88, No. 112, page 38039) requesting public comment. Forty-five comments were received. See attached table and letters for the incoming comments and FSA responses. No further changes were made to the collection based on these comments.

**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.<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**

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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)

**ensure that your response per respondent matches the estimate provided in number 12.**

The data collected under this information collection will be held in the COD system and the System of Records Notice for COD, 18-11-02, (Vol. 87, No. 176, 9-13-2022) which is being updated to include this information.

- 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 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 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.**

This data collection of student FWS wages will be required on an annual basis, from all IHEs participating in the FWS program that had students earn FWS wages for the relevant collection year.

The amount of time required of IHEs to compile and submit the data may vary depending on their individual software system capabilities, and potentially the size of their FWS-earning student population. While FWS *award* data should be readily accessible within the IHEs' financial aid system, FWS *wages* may or may not be collected and tracked within the same system. This may impact the extent to which IHE's can utilize more automated processes to compile this data and submit to COD through batch processing (such as their systems already do for other Title IV student-level reporting), or if they need to rely on more manual processes. The average burden hours have been estimated to account for both scenarios, while predicting that the majority of IHE's with larger student populations will have software capabilities already in place that enable them to utilize batch processing.

The matrix below reflects respondent participation counts based on the number of IHEs that participate in the FWS program and their reported number of FWS earners for the 2021-22 reporting year (from the most recent FISAP submission available (October 1, 2022)). The total amounts shown by institution type are unduplicated counts. 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 13-1199 – May 2021) of \$30.40 per hour to calculate the estimated total cost for all respondents.

In addition, an estimate of 100-300 additional burden hours is estimated to account for the initial startup process for IHEs to begin collecting and submitting this data to the Department. This will involve devising a process for collecting calendar year FWS wages and setting up their financial aid software to submit the collected data.

The estimated 263 For-Profit institutions would have an estimated burden hour range of 26,300-78,900 with an estimated cost range of \$799,520 - \$2,398,560. The estimated 1,278 Private institutions would have an estimated burden hour range of 127,800-383,400 with an estimated cost range of \$3,885,120-\$11,655,360. And the estimated 1,502 Public institutions would have an estimated burden hour range of 150,200-450,600 with an estimated cost range of \$4,566,080-\$13,698,240 to establish the processes to collect and submit the necessary data.

The table below show the averaged 200 hours for the burden estimation and cost estimation purposes.

The total cost for all respondents, to include both the annual burden and startup burden is estimated to range from \$11,222,616 to \$29,724,056.

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	N/A	N/A	N/A	N/A	N/A	N/A
For-Profit Institutions	263	7,362	.15	1,104	\$30.40	\$33,562
For-Profit Institutions Averaged Startup Costs	*	263	200	52,600	\$30.40	\$1,599,040
Private Institutions	1,278	232,337	.15	34,851	\$30.40	\$1,059,470
Private Institutions Averaged Startup Costs	*	1,278	200	255,600	\$30.40	\$7,770,240
Public Institutions	1,502	192,730	.15	28,910	\$30.40	\$878,864
Public Institutions Averaged Startup Costs	*	1,502	200	300,400	\$30.40	\$9,132,160
Annualized Totals	3,043	435,472		673,465		\$20,473,336

*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 capital or start up costs required for this collection.

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 accommodation of the Campus-Based schema in COD and processing of student FWS wages 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 student FWS wage data electronically is not considered an increase in burden for most institutions. Because thousands of institutions are already participating in other Title IV programs, 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.**

**Cost for Development of Campus-Based Schema (7 months) \$641,229**

The initial costs to accommodate the collection of FWS wages includes the costs for contractor services, including the design and build of the xml schema, web services, business rules, edits, message classes, and development of the Technical Reference and other documents for posting to the web and ensuring 508 accessibility of posted documents. The amount above reflects the cost of these services for the contractor period of performance from Jan 1., 2023 through July 31, 2023.

**ED Staffing Operations and Overhead Costs Yearly Staff Costs \$24,628**

A staff of 4 FTE's is required for the development and ongoing operation of the Campus-Based schema and collection of FWS student wages. Staff lend subject matter expertise throughout the development phase, and will serve in the ongoing maintenance of the Campus-Based schema by identifying needed changes or updates to system functionality, performing user acceptance testing, contributing to document development, and providing guidance and customer service to participating institutions.

The types of program staff include managers, and program and systems analysts. Using the Salary Table 2022-GS Effective January 2022, the average hourly wage of the current staff composition is \$61.57. The total estimated annual salary of the 4 FTE's is \$512,225.

**Note:**

The total amount of annual salaries devoted to the Campus-Based schema is divided as:

Management and Oversight (1 staff @ 80 hrs x \$61.57) = \$4,925.60

Documentation (2 staff @ 60 hrs ea x \$61.57) = \$7,388.40

Customer Service (2 staff @ 60 hrs ea x \$61.57) = \$7,388.40

User Acceptance Testing (2 staff @ 40 hrs ea x \$61.57) = \$4,925.60

**Campus-Based Schema Yearly Overhead Costs Yearly Overhead Costs \$3,940**

A standard budget estimate of 16% was used to determine the overhead costs of staff operations including Updates such items as equipment, utilities, work materials, etc. (\$24,628 x 16% = \$3,940)

**Total Costs \$669,797**

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).

Provide a descriptive narrative for the reasons of any change in addition to completing the table with the burden hour change(s) here.

	Program Change Due to New Statute	Program Change Due to Agency Discretion	Change Due to Adjustment in Agency Estimate
<b>Total Burden</b>	673,465		
<b>Total Responses</b>	435,472		
<b>Total Costs (if applicable)</b>			

This is a request for an extension of this information collection due to a program change. The anticipated burden for the provision of the FWS data is estimated at 673,465 hours (3,043 institutional respondents with 435,472 single responses x .15 hours, plus an averaged 200 hours of startup costs per each institutional respondent).

- 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 information will not be 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.**

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