

From: McLamb, Denise [mailto:denise.mclamb@va.gov]
Sent: Friday, March 23, 2007 3:29 PM
To: Kraemer, John
Cc: McLamb, Denise
Subject: FW: Response to OMB

John,

Please see VA's response below. If you need additional information, please give me a call.

The Office of Policy and Planning offer the following information in response to the questions and requests from March 13, 2007.

1. Per OMB's instruction, we will ask the OMB standard questions for ethnicity and race.
2. The Office of Policy and Planning will collect records from which information can be retrieved by name of the individual, so we are required to comply with the Privacy Act of 1974, 5 U.S.C., 552a (2000). Our system of records is number 43VA008, *Veterans, Dependents of Veterans, and VA Beneficiary Survey Records*. Our system of record was last amended on October 13, 2000 (Vol. 65, No. 199).
3. Abt will make 10 attempts to reach the respondent by phone before discontinuing their efforts to reach the particular individual for the study. But this count could go down as Abt gets a better sense of how the cohort is responding to their attempts. The strategy is to adopt the method that is most successful at reaching every selected participant with a valid phone number.
4. The following language will be used through an agreement with Abt to ensure their compliance to the Privacy Act and to increase VA's ability to hold them accountable for securing veterans' data.

This contract involves accessing and using sensitive VA protected information. The data required includes name, address, phone number, race, age, gender, military occupations, years of active duty service, branch of service, Armed Forces Qualification Test scores, date of separation, rank, service in combat theaters, and disability rating and year received. The data will not include social security numbers. The unique identifiers (i.e., name, address, phone number) are sensitive data. These data and any other data they are combined with are protected under the Privacy Act of 1974. To receive, store and use information the contract provides for the operation of a VA system of records, as defined in Federal Acquisition Regulation 24.101 and in the Privacy Act of 1974 (5 U.S.C. 552a). The applicable system of records for this contract is Veterans, Dependents of Veterans, and VA Beneficiary Survey Records (43VA008). The listed system of records permits the data analyses specified in this contract for records created by or provided to Abt, and it contains a number of safeguards for protecting the data that Abt shall follow. Abt will comply with requirements in the Privacy Act of 1974, Public Law 93-579, December 31, 1974 (5 U.S.C. 552a) and applicable agency regulations, including requirements established by the system of records.

All VA contract provisions safeguarding data are applicable to Abt and all subcontractors. Abt agrees to include the Privacy Act notification contained in this contract in every solicitation and resulting subcontract and in every subcontract awarded without a solicitation, when the work statement in the proposed subcontract requires the redesign, development, or operation of a system of records on individuals that is subject to the Privacy Act. In accordance with Federal Acquisition Regulation 24.102(b), contractors and their employees are considered employees of VA for the purposes of the criminal penalties of the Privacy Act. Therefore, all Abt and subcontractor staff shall be notified in writing that they are subject to the criminal penalties of the Privacy Act as

specified in subsection (i) relating to criminal penalties for improper disclosure of agency records. In the event of violations of the Privacy Act, a civil action may be brought against the agency involved when the violation concerns the design, development, or operation of a system of records on individuals to accomplish an agency function, and criminal penalties may be imposed upon the officers or employees of the agency when the violation concerns the operation of a system of records on individuals to accomplish an agency function. For purposes of the Privacy Act, when the contract is for the operation of a system of records on individuals to accomplish an agency function, Abt is considered to be an employee of the agency.

(1) "Operation of a system of records," as used in this clause, means performance of any of the activities associated with maintaining the system of records, including the collection, use, and dissemination of records.

(2) "Record," as used in this clause, means any item, collection, or grouping of information about an individual that is maintained by an agency, including, but not limited to, education, financial transactions, medical history, and criminal or employment history and that contains the person's name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a fingerprint or voiceprint or a photograph.

(3) "System of records on individuals," as used in this clause, means a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual.

5. We recognize that the request for "draft results of the initial analysis the Department conducted on the CPS data" is appropriate for helping OMB accept our justification for the limited focus of this study. Our analyses on the CPS employment data was received and distributed to our office yesterday, so none of the content is yet ready for public review. However, we can summarize here the draft results that affected our thinking about conducting this focused, one-time survey with young veterans, in cooperation with DoD and DoL. We compared recently separated servicemembers (RSS; since 1/1/1990) to Matched Peers (same demographic and education profiles), and Previously Discharged Veterans (Vietnam Era and Post Vietnam Era to 1/1/1990) on data from the Current Population Survey Annual Demographic Supplement (CPS-D) and the Current Population Survey Biennial Veterans Supplement (CPS-V).

The significant findings include:

- RSS vs. Matched Peers
 - o More unemployed in 2 years post-discharge (CPS-V)
 - o More in low income households 8 years post-discharge (CPS-V)
- Over time (CPS-D)
 - o Among young veterans (under 25), the share not in the labor force jumped from 10% to 23% from 2000 to 2005
 - o Across all veterans, annual average wages are lower than peers, and the deficit has grown to \$3,170 in 2005-06
- CPS-V 1989-1999
 - o 48% of RSS report receiving transition assistance as compared to 42% of Post Vietnam and 44% of Vietnam Era
 - o 39% of RSS used transition assistance under the GI Bill and 16% used DOL programs

While not all RSS are young veterans, the labor force findings are concerning, especially when transition assistance is in high use compared to previous eras. The sudden increase in young veterans not in the labor force is a signal that they may account for the labor force trends. Meanwhile DoL has reported large fluctuations in this age groups unemployment rates. In order for our office to provide VA and our research partners useful information about employment outcomes and associated decisions by young veterans, we need to gather more detailed information about this age group's typical behavior and experiences after discharge.

