

SUPPORTING STATEMENT FOR INTERNET PAYMENT FORM
(Pay Now Enter Info Page)
(2900-0663)

A. Justification:

- 1. Circumstances that make the collection of information necessary:** VA collects debts as authorized by 31 U.S.C. § 3711 (2006) and 38 U.S.C. §§501, 5314 (2006). Section 3711(d) of title 31 and sections 501(a) and 5314(d) of title 38 authorize the Secretary of Veterans Affairs (VA) to act under regulations he prescribes as well as the Federal Claims Collection Standards, 31 C.F.R., pts. 900 – 904. VA collection standards at 38 C.F.R. §§ 1.900 - 1.953 (2007), as revised at 69 Fed. Reg. 62188 – 62201 (October 25, 2004), were issued pursuant to the Federal Claims Collection Standards. Sections 1.904 and 1.910 of the VA standards call for collection in the form of money (with limited exception) and for aggressive collection action, respectively. This Web initiative was taken in the spirit of the President's Management Agenda and the E-Government Act of 2002, Pub. L. no. 107-347 as codified at 44 U.S.C. ch. 36. Debt Management Center (DMC) believes its Web-based payment system has proven to be a convenience for individuals owing debts to VA (see paragraphs 12 and 13).
- 2. How, by whom and for what purpose the information will be used:** Entry of the data on the Pay Now Enter Info Page (initiated at the VA portal, www.pay.va.gov) in combination with the respondent verifying the information by clicking "Next" redirects the respondent to a Department of the Treasury Web site (Pay.gov) where credit card payments or direct debits (Automated Clearing House – ACH) can be transacted. The information entered by the respondent on the VA Pay Now Enter Info Page is not, initially, sent to the Treasury Web site. Instead, the entries are stored on a VA Web server and an Agency I.D. and (anonymous) Tracking I.D. are transmitted to the Treasury server. When the Pay.gov site sends an electronic acknowledgment, the VA Web server sends 19 data elements to Pay.gov. One of the 19 is the respondent's name entered on the Pay Now Info Page. The data elements returned to Pay.gov are generated to synchronize the further exchange of data and are not personal to the respondent, except his or her name. After completion of credit card or direct debit transaction, transaction data is returned to the VA Web server along with the Tracking I.D. The tracking I.D. is used to identify the data set created by the initial entries on the Pay Now Enter Info Page and, in turn, the VA account receivable record corresponding to the person who made a credit card or direct debit payment. At the end of the online payment process, a report of the transaction is generated with a combination of data elements from both the Pay Now Info Page and Treasury's Pay.gov site (neither credit card

nor financial institution account information is returned to VA from the Treasury site). Since the initial approval of the Pay Now Enter Info Page on July 15, 2005, programming was installed to automatically update individual accounts receivable records for credit card transactions initiated on the Pay Now Enter Info Page. DMC will have automated update of individual accounts by direct debit (ACH) transactions no later than date the current approval expires (July 31, 2008).

- 3. Extent of the use of automated, electronic, and mechanical or other technological collection techniques:** This collection is conducted on the Internet. Respondents fill in data in their computer terminals and are automatically redirected to the Department of the Treasury's Pay.gov Web site. At the conclusion of the transaction, the respondent receives a message confirming its success or failure. The estimated burden time for completing the VA Web form is 10 minutes, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed and completing and reviewing the entries on the web form. The time would be considerably less should the respondent have a copy of a letter sent to him or her by DMC readily available.
- 4. Efforts to identify duplication:** We know of no duplication on the Internet. The VA file number, the respondent's name, type of debt and, in some instances, telephone number are made part of the debtor's automated master record when a debt is established and serve to initiate collection action to which the debtor responds by accessing the subject Web page. The data used to populate the debtor's master record is transferred from the VA Benefit Delivery Network (BDN) or Veterans Service Network (VETSNET), which, in turn, populated the data elements with information provided by the debtor when he or she originally applied for benefits on forms approved by OMB. Without this data collection on the subject Web page, we would be unable to associate online credit card or direct debit payments with the corresponding account receivable.
- 5. Impact on small business:** The collection of this information does not involve small businesses or entities.
- 6. Consequences to Federal program or policy activities if the collection is not conducted or conducted less frequently:** DMC is participating in a program of online collections in cooperation with the Department of the Treasury's Pay.gov initiative and has demonstrated substantial amounts can be collected online based on experience since initial approval of the Web form. The convenience factor is significant for both the debtor and the Government. In the first full fiscal year the collection site was available to veterans and dependent beneficiaries, they used the site to pay more than \$7.4 million. In FY 2007, \$13.3 million was collected.

- 7. Special circumstances:** There are no special circumstances that require the collection to be conducted in a manner inconsistent with the guidelines in 5 C.F.R. §1320.6.
- 8. Publication in the Federal Register:** The Department notice was published on November 16, 2007, pages 64705-64706, Volume 72, Number 221. Specific consultations outside the Department were not made since the parties involved are completing the form satisfactorily. No comments were received,
- 9. Payments or gifts to respondents:** A decision to provide any payment or gift to respondents does not apply.
- 10. Assurance of confidentiality:** The data entered on the Pay Now Info Page is stored electronically on the VA Web server and is transferred to DMC by electronic media on a periodic basis for permanent storage. Confidentiality of the information entered on the form is governed by VA system of records 58VA21/22, Compensation, Pension, Education and Rehabilitation Records-VA, and 88VA244, Accounts Receivable Records-VA, both published in the Privacy Act Issuances, 2005 Compilation. The accounts receivable records system maintained and managed by DMC is subsidiary to the records system established and maintained for programs associated with delivery of veterans' benefits.
- 11. Additional justification for questions of a sensitive nature:** None of the questions on the form are considered to be of a sensitive nature.
- 12. Estimates of the hour burden of the collection of information:** DMC anticipates persons owing debts to VA will enter data on the Pay Now Enter Info Page 30,000 times each fiscal year. We further expect the average respondent will spend 10 minutes accessing the Web site and entering the eight data elements for a total annual hour burden of 5,000. If the respondent has a letter from DMC readily available or has high-speed Internet access, the burden could be less. Annualized costs to respondents will be \$75,000 based upon an hourly standard respondent labor cost of \$15.00.
- 13. Estimate for the total annual cost burden to respondents or recordkeepers:** The annual cost to the public is less than \$100,000:
 - a. Total capital and start-up costs:** Start-up costs were estimated at \$20,000 for VA Web Solutions staff, an in-house component of the Department of Veterans Affairs. While VA staff devoted time to Web page development and conference calls, the costs did not qualify as a capital expenditure since they are believed to be less

than the \$100,000 threshold for capitalization. VA had already maintained a significance Web presence, development and security apparatus covering many areas of interest to the veteran community. The infrastructure for the subject Web page and form were already in place when the page was designed and developed.

- b. **Total operation, maintenance and purchase of services component:** DMC believes operational and routine maintenance costs are insignificant with the current Web page configuration and function. While Web page design may need to be revised from time to time, minor changes to narrative instructions and graphics would be developed by DMC staff and installed by VA Web Solutions or Web Operations staff in relatively short order.

14. Annualized costs to Federal government and description of the method used to estimate: Maintenance of two Web pages is insignificant when no major revisions of function are contemplated. The Web pages perform two straight forward tasks - they present a gateway for the respondent to initiate bill payment which is performed at another Web site under the management and control of the Department of the Treasury; and, they establish a tracking number so that payments may be associated with individual accounts receivable. No additional equipment, overhead printing expenses or support staff will be necessary to maintain the function or appearance of the subject Web page.

15. Reasons for program changes or adjustments in items 13 or 14: The number of respondents has increased since the initial estimate in 2005.

16. Plans for tabulation and publication: The information collected is not for publication.

17. Approval to not display expiration date for OMB approval: VA is seeking an exemption to waive the displaying of the expiration date on the Pay Now Enter Info Page website.

18. Exceptions to the certification statement: This submission does not contain any exceptions to the certification statement.

B. Statistical Methods

No statistical methods are used in this data collection.