

SUPPORTING STATEMENT FOR 38 U.S.C. § 21.4263(h)(3)
Record Keeping at Flight Schools
(2900–0613)

A. Justification

1. Educational institutions are required by statute (38 U.S.C. 3690(c)) to maintain records and accounts of eligible veterans and other eligible persons who receive educational assistance, and the records pertaining to other individuals that are necessary to determine if the educational institution is complying with the provisions of law governing approval of courses for VA training. This requirement is implemented by 38 CFR 21.4263(h)(3) which sets forth records VA expects a flight school to maintain in order to retain approval for its courses.

2. The State approving agencies that approve courses for VA training use these records to determine if courses offered by a flight school should be approved. VA, when one of its representatives inspects the records, uses them to determine if payments made to VA students at the flight school are correct.

3. The regulation does not require any reports. It only requires record keeping. Flight schools have the option to store these records electronically.

4. The regulation requires a flight school which is a certified pilot school under 14 CFR part 141 to keep the records required by that part. It requires a flight school which is a certified flight training center under 14 CFR part 142 to keep the records required by that part. To the extent that VA representatives may randomly check to see if these records are being kept, this information collection may be construed to be a duplication of the requirements imposed by the Federal Aviation Administration (FAA). However, examination of these records is necessary by the VA representatives in order to determine if past payments of students in flight training were correct. VA is not aware of any duplication of the other records required by this information collection.

5. The average number of students enrolled in each flight school to which the information collection may apply will be less than ten. Consequently, the cost of record storage to each flight school for complying with the information collection will be low. Hence, the information collection does not have any impact on a substantive number of small entities.

6. If flight schools do not keep these records, State approving agencies may not know whether to approve a course. VA will not know whether payments made to VA supported students training at the school have been correct.

7. The collection of this information does not require any special circumstances.

8. The public was informed of the right to submit comments on this information collection. The notice is contained on page 9618 of the Federal Register dated February 21, 2008. There were no comments received in response to this notice.

9. VA does not provide any payment or gifts to respondents.

10. Schools keep the records. A VA representative reviews the records when he or she visits the school. If no error is found, VA does not make a copy of any record. However, if VA finds an error, VA makes a copy of the record. VA keeps that copy in the school's approval file. Approval files are destroyed periodically for various reasons, one such reason being a school goes out of business. If the error pertains to a particular veteran and requires adjustment in his or her education benefits, another copy of the record is retained in the veteran's education folder. Education folders are destroyed periodically. If the claimant's education folder is destroyed, the document on which the information is collected is destroyed also. VA assurance of confidentiality is covered under System of Records, Compensation, Pension, Education and Rehabilitation Records - VA (58VA21/22) that is contained in the Privacy Act Issuances, 1999 Compilation.

11. No information from this collection is considered to be of a sensitive nature.

12. This regulation does not impose any reporting burden (where a school must submit records at a given time interval); it does impose a record keeping burden on flight schools. The estimated annual burden for the collection of this information is 427 hours, submitted by 320 respondents (flight schools) with a total of 1,281 responses (submissions for veterans and other VA beneficiaries). To arrive at this figure, VA reviewed the number of total flight students for Fiscal Year 2007. VA continue to consider that a school will need approximately 20 minutes (one third of an hour) to generate and store the records pertaining to each student that would not be kept in the ordinary course of business or in compliance with FAA regulations. 1,281 responses divided by 3 equals the estimated annual burden of 427 hours.

The annual cost to the public is \$19,215. This cost is based on a flight school official earning \$15.00 times 1,281 students (responses).

13. Most of the records required by this information collection would be kept in the normal course of business. Other records would be kept if the flight school wishes to comply with FAA rules (14 CFR part 141, 14 CFR part 142 or both). The additional record keeping imposed by this information collection would take less than a square foot of space. Therefore, the record keeping burden is near zero.

14. The estimated cost to the Federal government for this information collection is \$1,751.

VA estimated that approximately one fifth (1/5) of all submissions will be checked by a VA compliance survey specialist, GS 10/5 reviewing these flight school records. Using the 1,281 submissions, it is estimated that compliance specialists will review 260 records. VA estimated that the compliance survey specialist will need approximately 15 minutes (1/4 hour) to check each record. VA is using an hourly salary rate of \$26.94. $260 \times \$26.94 \times 15 \text{ minutes}/60 = \$1,751$.

15. The decrease in the hours in the current collection is based upon the actual number of claimants who participated in flight training in FY2007.

16. VA does not publish this information or make it available for publication.

17. The public can find the affected part of the Code of Federal Regulations by searching for 38 CFR 21.4263(h). 38 CFR 21.4263(h) shows the OMB information collection number but does not contain an expiration date. This information collection will be submitted to OMB every three years for approval. Revising and reprinting the affected pages of these regulations to show an expiration date would result in a costly waste of existing stock and would delay Department action on the benefit being sought. By requesting an exemption from displaying the expiration date in these regulations, VA can minimize the cost to itself. VA seeks a continued exemption from displaying the expiration date on the pages of 38 CFR 21.4263(h).

18. This information collection fully complies with the requirements of 5 Code of Federal Regulations 1320.8(b)(3), except as follows:

This regulation does not state the burden estimate of the information collection. It does not state the extent of confidentiality of the information collection.

VA requests an exemption from providing the above information as part of the regulation for the following reasons:

To publish as part of the regulation all of the information required by 5 CFR 1320.8(b)(3) would mean that each time the information required by that rule changed, for example a change in one of the records to be kept, the affected regulation would have to go through the regulatory process all over again, even though the purpose of the rule would be unchanged. This is contrary to the purpose of the Code of Federal Regulations.

To put all this information in a regulation would make that regulation unnecessarily long. This is contrary to the President's goal, expressed in section 1(b)(12) of Executive Order 12866, that regulations be simple.

B. Employing Statistical Methods.

The collect of information does not employ statistical methods.