

## **SUPPORTING STATEMENT**

### **For Paperwork Reduction Act Submission**

#### **Department of Veterans Affairs, Veterans Benefit Administration (VBA) Loan Guaranty (LGY) Surveys**

##### **A. JUSTIFICATION**

- 1. Explain the circumstances that make the collection of information necessary. Identify legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The mission of the VA Loan Guaranty Service (LGY) is to help veterans and active duty personnel purchase and retain homes in recognition of their service to our nation. The program offers many advantages to veterans, including no down payment and no mortgage insurance premiums. Since the program's inception in 1944, it has helped millions of veterans to become homeowners. The program is administered by the Veterans Benefit Administration (VBA).

As part of the agency's continuing commitment to improve the services provided to veterans, LGY will conduct the FY08 VBA Loan Guaranty Service Customer Satisfaction Surveys. The proposed effort will build upon previously conducted focus groups with realtors and appraisers and will measure their satisfaction with the VA LGY program. The survey will target real estate professionals geographically located in "veteran rich" areas. The appraisers surveyed will be those currently serving on the VA Fee Panel.

In 2007, the Veteran, Lender, and SAH surveys were approved under a Blanket Purchase Agreement, OMB Approval No. 2900-0569. Under this agreement, the LGY program had general OMB approval for customer satisfaction surveys under Control Number 2900-0569. For 2008, OMB requested that the surveys undergo full OMB review. These surveys were approved under OMB Approval No. 2900-0711.

This will be the first year that the Realtor and Appraiser surveys will be conducted. These surveys, in addition to the original four Customer Satisfaction Surveys, will assist the VA to better serve our business partners.

Two separate, but related, LGY customer satisfaction surveys are encompassed in this information collection request for FY 2009. They include:

- **Survey #1 – Survey of Realtor Satisfaction with the VA Home Loan Guaranty Program:** gathers information from real estate professionals who have and have not participated in the VA Loan Program during the past fiscal year.

- **Survey #2 – Survey of VA Fee Panel Appraiser Satisfaction with the VA Home Loan Guaranty Program:** gathers satisfaction data from appraisers that are currently serving on the Fee Panel.

The results from these two surveys comprise a vital source of performance data for the LGY Program that is not available from other data sources.

These surveys will be conducted per the legislative requirement set forth in the Executive Order 12862. The Order mandates that government agencies set standards and seek to measure agency performance against such standards. These surveys are also being conducted in concurrence with the Government Performance Results Act (GPRA) and its requirements for improving customer service.

Specifically, VBA requires annual customer satisfaction information from realtors and appraisers in order to gauge the ease by which the LGY Program can be utilized by these professionals as well as assess the level of their satisfaction with the overall program. The survey data collected from these two groups will be used by the LGY Program to make improvements to the Loan Guaranty process, which in turn, will enable us to serve veterans in the most efficient and effective way possible.

**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 current collection.**

The information to be collected during the planned FY09 surveys will be used by the Loan Guaranty office to determine realtor and appraiser satisfaction with the LGY program. A major use of this data will be two-fold: (1.) to provide increased awareness and knowledge of the VA Loan Program to real estate professionals and (2.) to formulate program and policy changes in the appraisal and lending process to ensure that veterans are effectively served. In addition to using survey results to make program improvements, past analysis of LGY customer satisfaction data have allowed the VA to measure progress towards the agency's strategic performance targets, as outlined in the VA Strategic Plan. Information gathered from the previous LGY Customer Satisfaction Surveys is also a key data source for the agency's Program Assessment Rating Tool (PART) score. Currently, there are no other means of evaluating realtor or appraiser satisfaction with the VBA LGY Program.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

In conjunction with a contractor, VBA staff will develop, administer, and analyze the two surveys.

Realtor Survey. Access to computers and data systems is widely available to realtors and as such, the Realtor Survey will be administered online as a web-based data collection. This will maximize the timeliness, efficiency, and response rate of data collection from realtors. VA will select a contractor that has strong capabilities in programming and hosting surveys on the worldwide web, and maintains effective security and privacy procedures (e.g., unique passwords for respondents, data encryption) when designing and programming web surveys. The web address (URL) on which the survey will be hosted and accessed by respondents will be included in the materials sent to realtors advertising the survey. Realtors will then connect to the appropriate web page and complete the survey.

Appraiser Survey. The Appraiser Survey will also be administered online. Like the Realtor Survey, the web address on which the survey is hosted will be included in a mailing to be sent to respondents that advertises the survey and requests participation.

**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.**

As noted, VBA has not yet conducted customer satisfaction surveys specifically geared toward appraisers and realtors.

Our review of available data suggests that no sources outside of VBA's LGY survey program are available that provide a reliable, representative sample of the targeted audience who have used LGY services and from which detailed customer satisfaction indicators can be derived.

**5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

No small businesses or other small entities are impacted by this information 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.**

If the 2009 LGY Customer Satisfaction Survey is not conducted, VBA will not be able to fulfill its performance measurement requirements as articulated by the requirements of P.L. 103-62, the Government Performance and Results Act of 1993 and Title 38 USC, §527, Evaluation and Data Collection. Furthermore, VBA would miss an opportunity to learn from our business partners about how to improve the home loan process to best serve their needs as well as those of America's veterans. VBA would also lose an opportunity to track and document improvements or declines in LGY customer satisfaction and service delivery over time.

The design and administration of the suite of LGY Customer Satisfaction Surveys incorporates significant measures to minimize burden on respondents. (These specific measures are discussed in more detail in section 12). There are currently no technical or legal obstacles to reducing burden using the planned methods.

**7. Explain any special circumstances that would cause an information collection to be conducted more often than quarterly or require respondents to prepare written responses to a collection of information in fewer than 30 days after receipt of it; submit more than an original and two copies of any document; 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 that can be generalized to the universe of study and require the use of a statistical data classification that has not been reviewed and approved by OMB.**

There are no special circumstances that would require respondents to prepare or submit the documents outlined above, or respond in fewer than 30 days. The surveys will be designed and carried out with appropriate scientific rigor, and are intended to produce valid and reliable results that can be generalized to the universe of study.

**8. Part A: If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the sponsor's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the sponsor in responses to these comments. Specifically address comments received on cost and hour burden.**

The 60-day Federal Register (FR) notice was published on December 23, 2008, Volume 73, Number 247, pages 78873-78874. There are no comments received.

**8. Part B: Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, clarity of instructions and record keeping, disclosure or reporting format, and on the data elements to be recorded, disclosed or reported. Explain any circumstances which preclude consultation every three years with representatives of those from whom information is to be obtained.**

VBA is not aware of any benchmark surveys in private or government sectors. LGY was asked to share its current surveys with OMB so that other credit agencies could replicate the survey approach and use the data for benchmark purposes (as appropriate).

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

No payment or gift shall be provided to respondents.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

An assurance of strict confidentiality is made in the introductory letter respondents receive with the survey as well as written prologue appearing at the beginning of each survey, regardless of the mode of administration. Respondents are assured that answers given will be kept confidential under the Privacy Act and will be used for research purposes only. The information that respondents supply is protected by law (the Privacy Act of 1974, 5 U.S.C. 522a and section 5701 of Title 38 of the United States Code).

**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; include 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.**

None of the survey instruments contain any questions of a sensitive nature.

**12. Estimate of the hour burden of the collection of information.**

<b>TABLE 1: ESTIMATED ANNUALIZED TIME BURDEN, BY RESPONDENT GROUP</b>				
<b>Population surveyed</b>	<b>Number of respondents</b>	<b>Number of responses per respondent</b>	<b>Average burden per response (in hours)</b>	<b>Total burden hours</b>
Realtors	6,000	1	.25	1,500
VA Fee Appraisers	5,000	1	.25	1,250
<b>Totals</b>	<b>11,000</b>	<b>NA</b>	<b>NA</b>	<b>2,750</b>

<b>TABLE 2: ESTIMATED MONETARY BURDEN, BY RESPONDENT GROUP</b>				
<b>Population surveyed</b>	<b>Number of respondents</b>	<b>Estimate hourly wage</b>	<b>Average burden per response (hr.)</b>	<b>Total cost to all respondents</b>
Realtors	6,000	19.52	.25	29,280
Fee Panel Appraisers	5,000	22.18	.25	27,725
<b>TOTALS</b>	<b>11,000</b>	<b>N/A</b>	<b>NA</b>	<b>57,005</b>

The Department of Labor estimates the median hourly wage of realtors and appraisers—the targeted respondents for the survey—at \$[19.52] and [\$22.18], respectively in 2007.<sup>1</sup>

**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).**

- a. There is no capital, start-up, operation, or maintenance costs.
- b. Cost estimates are not expected to vary widely. The only cost is that for the time of the respondent (average of 15 minutes per respondent).
- c. There are no anticipated capital start-up cost components or requests to provide information.

<sup>1</sup> The median hourly wage of real estate agents and appraisers in 2007 is estimated by the Department of Labor at \$19.52 and \$22.18, respectively. Source: *Occupational and Employment Wages, 2007*. Accessed 11/24/08 from <http://www.bls.gov/news.release/pdf/ocwage.pdf>

**14. Provide estimates of annual cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operation 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.**

The total cost to the Federal Government is estimated at \$150,647.60. Table 3 below presents the labor and contracting costs for conducting the surveys. Operational costs will be outsourced to a contractor and will be included in the contractor’s total cost.

The cost is based on the cost per hour x number of respondent’s x minutes -divided by sixty.

<b>TABLE 3: ESTIMATED COST TO THE FEDERAL GOVERNMENT</b>		
<i>Cost Item</i>	<i>Hours</i>	<i>Cost</i>
VA-Labor	235	10,236.60
Contractor Costs		140,411
<b>TOTAL</b>	<b>235</b>	<b>150,647.60</b>

The VA Labor cost was estimated using a composite average salary and benefits figure of \$43.56 per hour.<sup>2</sup> The amount paid to the contractor for the survey effort includes as its major components the two surveys of realtors and appraisers for total cost of \$150,647.6.<sup>3</sup> These costs include development of the instruments, development of the sampling plan, review of the instrument, locating of respondents, programming of the questionnaire for Web administration, questionnaire pretest, validation, data processing, providing a clean data file, project management and analysis, and reporting.

**15. Explain the reason for any changes reported in Items 13 or 14 above.**

This is a new information collection.

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<sup>2</sup> FY 2008 Budget Estimates

<sup>3</sup> This total is equivalent to the contract awarded ICF for the FY07 LGY Customer Satisfaction Survey (Purchase Order 101-Y67266), plus a cost of living escalator of 4%.

**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.**

Based on previous experience, Section 16A below documents the proposed project plan for the tabulation and publication of survey data, including the analytical techniques and database management strategies to be employed. Following this, Section 16B provides an overview of the project timeline.

**16A: TABULATION AND PUBLICATION**

- **Scan Surveys and Monitor Response Rates**

During the survey field-period, the surveys will be scanned as they are received to ensure the currency of the name and address data file. During the scanning process, VA's contractor will inspect and remove duplicate surveys in case any individuals inadvertently received a second survey after completing a survey from the first mailing. Data from damaged surveys could potentially be lost unless appropriate actions are rendered to make the data usable. Staples, paper clips, and notes will be removed and stray pencil marks that would interfere with the scanning process will be erased. Additionally, if surveys are damaged (e.g., torn) or have pages missing, survey responses will be recopied onto a new survey.

Our contractor will host a password-protected Web site that will provide response rates from the Web-based surveys for the LGY customer satisfaction surveys. Throughout the 12-week period that the surveys are being fielded, data will be updated at a minimum on a weekly basis for each of the surveys. LGY staff will be provided with passwords to access the site at any time. VBA will review the response rates on a biweekly basis and generate ideas to increase the response rates.

- **Develop Prototype Reports**

Prototype reports will be developed for each of the two surveys. VBA will determine the appropriate weighting methods (if any) for the national reports. The selection of analyses and report exhibits in the prototype reports will rely on the knowledge and experience of LGY staff.

Each prototype report will be developed with the end user in mind, providing a clear explanation of findings. Each report will consist of the following sections:

- Executive summary
- Project methodology
- Survey results
- Appendices (e.g., copies of questionnaires and mailing materials).

VBA's contractor will pretest automation routines for new designs in the prototype reports to ensure that report exhibits, graphics, and data tables can be reliably and accurately programmed for each report type. Development of the automated report system will consist of several concurrent tasks, including a data crosswalk of the survey iterations to map identical variables and response sets, SPSS syntax routines, and development of prototype report templates using Microsoft Excel with Visual Basic for Applications.

- **Revise Prototype Reports**

Based on discussion between the LGY staff and the contractor, the contractor will incorporate suggestions and changes/edits to the reports' content and layout and will produce a revised report for each of the LGY surveys.

- **Submit "Live" Draft Reports**

The production of the draft report requires "quick" turnaround of data cleaning and automated report production. This section details the steps to be taken to produce draft reports for each of the LGY surveys using actual data from the survey administration. There are two significant subtasks involved in producing the draft report:

- Subtask 1: Clean and analyze survey data
- Subtask 2: Develop draft report.

Each of these subtasks is described below.

**Subtask 1—Clean and analyze survey data.** Shortly after the survey scanning process commences, the contractor will examine the respondent data file to ensure that the scanning program is reading the surveys properly and that all of the variables are correctly placed and formatted. The sample data file will also be used to test the data cleaning programs. This process will identify any errors in the survey scanning process.

Once the final surveys have been scanned and a raw ASCII data file has been produced, the process of creating SPSS data files will begin. An SPSS syntax program will be run to convert the ASCII data into separate SPSS data files representing each RLC and the national file. Each regional office's "raw" SPSS data file will be saved into its own sub-directory, and a copy of the original ASCII data file will be archived separately as a quality control measure. The contractor will analyze the SPSS data files, including conducting frequencies, cross-tabulations, and quadrant analyses. The analyses will be geared toward providing LGY and other VBA staff with user-oriented results.

**Subtask 2—Develop draft reports.** A draft report will be produced based on data from the national file. Using the automated report generation system, the data will be analyzed and key findings will be identified and summarized in the executive summary. Production of a draft report provides LGY staff an opportunity to assess the accuracy, quality, and utility of the report structure and content prior to production of final reports.

- **Conduct Informal Briefing**

The contractor will develop data tabulations on survey highlights from the customer satisfaction surveys and present the results informally to LGY staff. The contractor will work closely with the VBA to determine the most salient findings to present in the briefing. Following this informal presentation, LGY staff will provide the contractor with feedback for revising the briefing content. No more than two separate briefings will be required.

- **Conduct Formal Briefing**

The contractor will incorporate feedback, suggestions, and edits from LGY staff on the informal briefing to develop the final version of the briefing. Following this, the contractor will provide one face-to-face, formal, professionally conducted briefing on the results of the surveys to senior LGY and VBA management.

- **Submit Final Reports**

The contractor will submit all reports in final form, incorporating suggestions from LGY staff where agreed. The contractor will deliver bound color copies of the final survey reports to each of the nine RLCs. The package will also contain a CD, which will include only the final versions of the reports. The contractor will provide official receipts to the VBA for the mailing/shipping for each report package.

- **Deliver CD of Final Products**

The contractor will submit the final deliverable of CDs containing electronic files as specified in the SOW. Documents and materials will include:

- All background statistical analysis performed
- Raw survey data on CD in SPSS format (including all original information provided with the sample) for the RLCs surveyed
- Copies of the reports in electronic format on CD
- A detailed response rate file
- Remaining verbatims and “white mail” sorted by RLC.

These CDs of electronic files, which will provide LGY with all materials used during the project, along with the final reports.

## **16B: PROJECT TIMELINE**

The major activities for the VBA LGY customer satisfaction survey project are structured by task, and are outlined below.

- Task 1: Conduct kickoff meeting and develop the project management plan (PMP)
- Task 2: Review survey materials and discuss enhancements to the survey instruments and methodology

- Task 3: Print sample notification letters, envelopes, and reminder cards
- Task 4: Revise the Appraiser and Realtor surveys
- Task 5: Conduct cognitive labs and summarize results
- Task 6: Draw stratified random samples (where necessary)
- Task 7: Revise and finalize the survey mailing materials
- Task 8: Revise and finalize the survey questionnaires
- Task 9: Manage toll-free telephone assistance line
- Task 10: Host live Web surveys
- Task 11: Conduct surveys
- Task 12: Scan surveys and monitor response rates
- Task 13: Develop prototype reports
- Task 14: Revise prototype reports
- Task 15: Submit “live” draft reports
- Task 16: Conduct informal briefing on survey results
- Task 17: Conduct formal briefing
- Task 18: Submit final reports
- Task 19: Deliver CD of final products.

**TIMELINE - REALTOR AND APPRAISER SURVEYS**

Field Web Surveys	May – June 2009
Analyze Data	August – September 2009
Draft Report	October – November 2009
Finalize Report	December 2009

**17. If seeking approval to omit the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

We are not seeking such approval.

**18. Explain each exception to the certification statement identified in Item 19, “Certification for Paperwork Reduction Act Submissions,” of OMB 83-I.**

There are no exceptions.