

SUPPORTING STATEMENT

Loan Guaranty Service (LGY) ~~Foreclosure Impact~~ Veteran Housing Survey ~~–Veterans Recently Separated~~

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 Department of Veteran Affairs (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 Benefits Administration (VBA).

In order to supplement the base research completed in response to Congress per Public Law 110-389 ("Veterans' Benefits Improvement Act of 2008"), Section 502 ("Report on Impact of Mortgage Foreclosures on Veterans"), the Foreclosure Impact Veteran Housing Survey is being implemented. Congress would like a general assessment of the ability of veterans to obtain/maintain adequate housing in light of increased foreclosure rates and poor economic conditions. Specifically, the survey will address ~~two-one~~ elements of Congress' request: ~~1) data regarding the income levels of recently separated veterans and 2)~~ the impact of delays in the adjudication of disability compensation claims on the capacity of veterans to maintain adequate housing.

VA plans to stratify the survey pool ~~as follows: 1) using~~ -Veterans who have filed a claim for disability benefits in the last five years ~~and 2) Veterans who have recently separated from service (within the last 12 months);~~. Within ~~thesethis~~ populations, a veteran does not have to hold a VA home loan to be eligible; he/she may have another loan instrument or no loan at all.

One LGY survey comprises this information collection request:

Foreclosure Impact Veteran Housing Survey: gathers information from veterans who have filed a disability claim for compensation within the last five years ~~and veterans who have separated from service within the last 12 months.~~

This survey will be conducted to provide actual data pertaining to VA's response to the legislative requirement set forth in Public Law 110-389. Requirements of Section 502 ("Report on Impact of Mortgage Foreclosures on Veterans") are as follows:

- (b) ELEMENTS.—The report required by subsection (a) shall include the following:
 - (1) A general assessment of the income of veterans who have recently separated from the Armed Forces.

(2) An assessment of the effects of any lag or delay in the adjudication by the Secretary of claims of veterans for disability compensation on the capacity of veterans to maintain adequate or suitable housing.

(3) A description of the extent to which the provisions of the Servicemembers Civil Relief Act (50 U.S.C. App. 501 et seq.) protect veterans from mortgage foreclosure, and an assessment of the adequacy of such protections.

(4) A description and assessment of the adequacy of the home loan guaranty programs of the Department of Veterans Affairs, including the authorities of such programs and the assistance provided individuals in the utilization of such programs, in preventing foreclosure for veterans recently separated from the Armed Forces, and for members of the Armed Forces, who have home loans guaranteed by the Secretary.

Items 3 and 4 were provided in full in VA's report to Congress submitted in December 2009. The subject survey was originally planned to collect data from both Item 1 (income of recently separated veterans) and Item 2 (the effect of claim delays on the adequacy of veteran housing). A response was provided to Congress regarding Item 1, yet a more complete picture will be submitted based on data from a recently conducted survey, the National Survey of Veterans. At the time of report submission, no data was available for Item 2. A survey is necessary to appropriately respond to this item as noted in the report to Congress:

At this time, VA is unable to conclude if any relationship exists between disability claim adjudication delays and the capacity of Veterans to maintain adequate or suitable housing. VA plans to use the same survey referenced under the first element of this report to gather data from Veterans (holding a VA loan, other type of loan, or no loan at all) who applied for disability compensation benefits within the last five years. The survey should allow VA to determine if claim delays have a significant impact on a Veteran's ability to stay current on his/her home loan or maintain rent payments. This survey will also allow us to gather data regarding the type and quality of living situation (e.g., the existence of overcrowding and other substandard living conditions) for those Veterans who are experiencing, or have experienced, delays in disability claim adjudication.

~~VA will be able to gauge if the ability to carry out its mission of enabling veterans to obtain and retain homes has been hampered by the downturn in the housing market. The results from this the Veteran Housing sSurvey will comprise a vital source of veteran income and housing situation data that is not available from other data sources.~~

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 from the survey will be used by the Loan Guaranty office to ~~determine the impact of increased foreclosures on the veteran population. Specifically, major use of this data will be two-fold: 1) to compare income data of recently separated veterans with that of the general population (to address disparities in housing situations) and 2) to assess the impact of delays in the adjudication of disability claims on veterans' ability to maintain adequate and suitable housing.~~

VA will use a contractor to assist in this effort. Although a survey instrument has already been designed by VA, the contractor will review the survey and redesign as appropriate to remove any unnecessary questions or bias. The contractor will mail paper versions of the survey to a random sample of 3,000 veterans who have applied for disability compensation within the last five years. The veterans will have the option of returning the paper survey or completing a web-based survey. The contractor will conduct appropriate analyses of the survey responses and draw any conclusions between disability claim adjudications and the ability to maintain adequate housing.

To address Congress' request, the subject survey will seek to determine if and how a veteran's 1) living situation/conditions, and 2) ability to stay current on loan/rental payments, changed from the point at which he/she applied for disability benefits to the point at which a decision on his/her application was made (or to the present point if adjudication is still pending). The survey will ask questions regarding any:

- Delinquencies, foreclosures, or evictions
- Overcrowding
- Leaking water, other structural deficiencies
- Dysfunctional outlets, heat, or running water

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 ~~foreclosure impact~~Veteran Housing sSurvey.

To provide flexibility to the veteran, the survey will be administered in both paper form and online as a web-based data collection. This will maximize the timeliness, efficiency, and response rate of data collection from veterans. VA ~~has selected~~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 veterans~~ advertising the survey. Veterans can either connect to the appropriate web page and complete the survey or fill out the survey included in the materials packet.

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 surveys on ~~the impact of rising foreclosure rates on veterans.~~ [the impact of disability claim adjudications on the ability of veterans to maintain adequate housing.](#)

Our review of available data (and consultations with the Department of Labor, the Defense Manpower Data Center (DMDC), and VBA's Office of Performance Analysis & Integrity (PA&I)), suggests that no sources outside of ~~VBA's LGY survey program~~ [this survey](#) are available that would provide a reliable [answer to Congress' question](#), [from a representative sample of the targeted population.](#)

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 ~~Foreclosure Impact~~ [Veteran Housing](#) Survey is not conducted, VBA will not be able to appropriately update Congress on its response to [Element 2](#), Section 502 of P.L. 110-389, the "Veterans' Benefits Improvement Act of 2008". Furthermore, VBA would miss an opportunity to assess the impact of [claim adjudication delays on rising foreclosure rates of](#) ~~for~~ veterans returning to civilian life and take action to lessen this impact. ~~VBA would also lose an opportunity to assess the effects of claim adjudication delays as lost income for veterans, thereby potentially affecting an improvement in housing situations.~~

The design and administration of the ~~suite of Foreclosure Impact~~ [Veteran Housing](#) Survey 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. The survey 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. Respondents will be asked to submit the survey within approximately 35 days.

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 Federal Register notice was published on September 25, 2009, page 49073. There were 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.

LGY consulted with the Department of Labor, the Defense Manpower Data Center (DMDC), and with VBA's Office of Performance Analysis & Integrity (PA&I). LGY obtained data that helped us determine appropriate survey populations, ~~and some income data for the general population~~. The data also provided LGY with veteran disability claim filing dates, separation from service dates, and disability ratings. However, the data cannot help us ~~evaluate current veteran income levels nor the effects of income levels or the effect of~~ claim adjudication delays on the housing situations of veterans. A survey is required to obtain such information.

VBA is not aware of any benchmark surveys in private or government sectors.

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.

TABLE 1: ESTIMATED ANNUALIZED TIME BURDEN, BY RESPONDENT GROUP				
Population surveyed	Number of respondents	Number of responses per respondent	Average burden per response (in hours)	Total burden hours
Veterans who have filed a claim for disability benefits in the last 5 years	900	1	.25	225

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.

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 \$~~116,614.52~~103,500.34. Table 3 below presents the labor and contracting costs for conducting the survey. 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.

TABLE 2: ESTIMATED COST TO THE FEDERAL GOVERNMENT		
Cost Item	Hours	Cost
VA-Labor	<u>10050</u>	<u>65344378.00</u>
Contractor Costs		<u>110,080.5299,122.3</u>
		<u>4</u>

TOTAL	15000	116,614.52	103,500.34
--------------	--------------	-------------------	-------------------

The VA Labor cost was estimated using a composite average salary and benefits figure of **\$43.78 per hour**.¹ The amount paid to the contractor for the survey effort will totals approximately \$99,122.34 (based on 85% of the cost, \$116,614.52, of a more comprehensive veteran housing and income survey originally established with a contractor). \$116,614.52. This cost includes redesign/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.

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 survey 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.

The 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 25-day 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

¹ FY 2009 Budget Estimates

will review the response rates after the first 10-14 days and determine the appropriate number of reminders cards to be mailed, if necessary.

- **Develop Prototype Reports**

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

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

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

VBA's contractor will pretest automation routines for new designs in the prototype report 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 report's 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 for the national file. 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 report. 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 ([i.e., correlations between claim adjudication delays and the ability to maintain adequate and suitable housing](#)) 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 the final report.

- **Conduct Final Briefing**

The contractor will develop data tabulations on survey highlights from the [foreclosure impact survey](#) [Veteran Housing Survey](#) and present the results to LGY staff. The contractor will work closely with the VBA to determine the most salient findings to present in the briefing.

- **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 LGY. The package will also contain a CD, which will include only the final versions of the reports.

- **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)
- Copies of the reports in electronic format on CD
- A detailed response rate file
- Remaining verbatims and “white mail”.

These CDs of electronic files 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~~ [Veteran Housing 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 [Veteran Housing Survey](#) ~~Foreclosure Impact Survey~~
- 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 briefing on survey results
- Task 17: Submit final reports
- Task 18: Deliver CD of final products.

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.