

**SUPPORTING STATEMENT FOR
PRINCIPLES OF EXCELLENCE COMPLAINT SYSTEM INTAKE**
(OMB Control Number 2900–XXXX)

A. Justification.

1. Executive Order 13607, Establishing Principles of Excellence for Educational Institutions Serving Service Members, Veterans, Spouses, and Other Family Members, requires the establishment of a centralized complaint system for students receiving Federal military and veteran educational benefits. The purpose of the complaint system is to provide a standardized method to submit a complaint against an educational institution alleging fraudulent and unduly aggressive recruiting techniques, misrepresentation, payment of incentive compensation, failure to meet state authorization requirements, or failure to adhere to the Principles of Excellence as outlined in the Executive Order.

The VA's Principles of Excellence Complaint System (PoECS) will leverage DoD's complaint system to intake and manage complaints utilizing their existing contract and systems architecture with each agency only having access to their data. The VA's complaint system will utilize the same software platform as the DoD system. The complainants will access the complaint system through the GI Bill website and eBenefits portal. Veterans, family members, or other members of the public will be able to open links at either VA website location and enter the requested information. Complainants will be offered the opportunity to review the information in their complaint prior to clicking on the submit button. Once a complaint is submitted, the complainant will receive an email verifying that the complaint was received. At this point, the complaint will be stored in the complaint system and be available to select VA employees for review. VA will review the complaint and on behalf of the complainant will share the complaint with the institution which is subject of the complaint. VA will request the institution to formally respond to the complaint within 90 days. If an institution fails to respond within 90 days, VA will contact the institution and request a status update. Once VA receives a response from the institution, VA will forward the response to the complainant. At this point, VA will close the case. Valid complaints received will be transmitted to the central repository at FTC Consumer Sentinel. The information in the central repository is the same information provided by the complainant. Authorized law enforcement officials who have been granted access to the FTC Consumer Sentinel database will have access to view all complaints.

2. The respondent will submit a complaint about an educational institution online through either the GI Bill website or the eBenefit portal. The information gathered can only be obtained from the individual respondents. Valid complaints will be accepted from third parties.

a. The intake process for both DoD's and VA's complaint system share common data elements, but have some modifications specific to each agencies complaint handling process:

VA:

- o Institution/Employer: There are over 36,000 educational institutions that are approved for VA education benefits, while DoD has less than 7000.
- o Anonymous Complaints: PoECS allows for a user to file anonymous complaints. Based on working group discussions with CFPB and FTC, VA believes that allowing anonymous complaints will garner more ground truth on what is happening with veterans using their education benefits at different schools.
- o Required fields: As a result of allowing anonymous complaints, many of the fields that DoD requires a user to fill will not be required by VA

DoD:

- o Education Centers: DoD requires education center information that does not fall within the purview of VA.
- o Military Branch/Rank: DoD requires a user to select a service affiliation and pay grade.

3. The PoECS will leverage information technology to receive the complaint, case management for processing and referrals as necessary. Complaint Case Managers will coordinate with educational institutions to reach a resolution for the individual. The complaints will be uploaded to a central repository, FTC's Consumer Sentinel Network. All complaints will be accessible by state and federal agencies and law enforcement via the central repository. In addition, VA will compile a profile at the institutional level the types of complaints received for other tools that provide streamlined comparisons of institutions. VA will use this profile information to conduct regular and risk-based compliance surveys for educational institutions.

4. There is no known Department or agency which maintains the necessary information, nor is it available from other sources within our Department.

5. The information collection involves individuals (Veterans, Servicemembers and their family members). The information may be collected directly from individuals or submitted on behalf of someone else. The information may also be submitted anonymously. There is no impact on education institutions or small businesses for the information collection.

6. If this information is not collected, VA would not have a uniform manner for individuals to submit complaints for possible fraudulent, unduly aggressive recruiting, misrepresentation, or adherence with the Principles of Excellence against educational institutions. There are no technical or legal obstacles to reducing the burden of this information collection.

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 was contained on pages 53196-53197 in Vol. 78, No. 167 of the Federal Register dated August 28, 2013. Comments were received in response to this notice.

A commenter, writing directly to VA, requested clarification of any time limits on the submission of a complaint. This commenter also requested that VA provide details regarding any additional steps or follow-up that may take place after a complaint response has been completed. Another commenter, writing directly to VA, also inquired about procedures following the response to a complaint suggesting that schools should be required to provide a detailed response to a complaint and that VA establish an appeal process which would allow students to respond to the schools' statements. A third commenter suggested that when compiling institution-level profile of the type of complaints received, that institutions should be not be grouped by campus; rather, they should be grouped by institution and by institutions of the same entity. Lastly, a commenter proposed the use of risk-based program reviews. This commenter also inquired about procedures for resolving complaints and action taken against a school following a complaint. This commenter proposed that VA follow the Consumer Financial Protection Bureau (CFPB) and make redacted complaints public. While these comments are noted, they fall outside the scope of this data collection and will not be addressed. Section 3506(c) of title 44, U.S.C., limits the solicitation of public comments to questions of (1) whether a collection is necessary for the proper performance of the functions of the agency; (2) whether a collection has an accurate burden estimate; (3) whether there are any ways to enhance the quality, utility, and clarity of the information to be collected; (4) the extent to which the agency has minimized the burden on the public. The commenters' inquiries, noted above, do not satisfy any of these criteria.

A commenter recommended that the Principles of Excellence Complaint System be accessible from the VA's homepage. Another commenter proposed a preface to the Principles of Excellence webpage to encourage the submission of complaints. These suggestions are appreciated and will be taken into consideration once the Principles of Excellence Complaint System has been approved.

A commenter suggested VA delineate between federal and private loans in the complaint intake form. Another commenter proposed that the complaint intake interface contain more user-friendly word choices for individuals of all education levels. VA values these suggestions but must note that the categorization of the complaint issues (including the differentiation between federal and private loans) was established and approved through an inter-agency working group to align the types of complaints across multiple agencies; therefore, VA is not at liberty to make unilateral changes to the terminology used to describe the designated complaints. As such, the wording for the "Issue" categories will not be changed at this time; however, these suggestions will be shared amongst the members of the inter-agency working group the next time changes to the terminology are considered.

Lastly, a commenter recommended that the header “Institution/ Employer Information” be changed to “School/College/Program of Study”. VA agrees and will change this to avoid confusion.

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

10. This information will be destroyed three years after date of final action on investigation or litigation. Our assurance of confidentiality is covered by 38 U.S.C. 5701 and our System of Records, Principles of Excellence Centralized Complaint System – VA (170VA22).

11. None of the information collected is considered to be of a sensitive nature.

12. The estimated annual burden for the collection of this information is 300 hours for 1,200 complaints received. VA calculated this amount as follows:

Complaint Intake:

Type of Submission	Annual Estimate	Time to Complete (Minutes)	Total
PoECS	1200	15	18,000
Total	1200		18,000 mins = 300 hrs

We estimate that it will take individuals 15 minutes for PoECS. As such it will take 300 hours to complete the intake process.

13. This submission does not involve any record keeping costs.

14. The estimated cost to the Federal Government is \$194,812 for the complaint system and case management activities for an estimated 1,200 complaints.

Type of Complaint	Annual Estimate	Case Management	Total
Routine	960 (80%)	30 min	28,800
Egregious	240 (20%)	60 min	14,400
Total	1200		43,200 mins or 720 hrs

a. We estimate that it will take Complaint Case Managers 30 minutes for less complex routine complaints and 60 minutes for more complex egregious complaints. As such it will take an estimated 720 hours for case management activities handling complaints

b. Using the hourly rate for a GS13/5 in the Washington DC area of \$48.35, 720 hours equates to \$34,812.

c. In addition, the contract costs to leverage DoD's complaint system is \$145,000.

15. This is the initial annual burden for this collection of information.

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

17. VA is not requesting an exemption from displaying the expiration date on this form.

B. Collection of Information Employing Statistical Methods.

This collection of information gathered by the Veterans Benefits Administration will not employ statistical methods.