

**Department of Veterans Affairs
Office of Small and Disadvantaged Business Utilization
CVE Verification Survey
OMB 2900-New CVE Verification**

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify legal or administrative requirements that necessitate the collection of information.

Public Law (P.L.) 109-461 entitled “Veterans Benefits, Health Care, and Information Technology Act of 2006,” provides VA with unique authority for contracting with Service-Disabled Veteran-Owned Small Businesses (SDVOSBs) and Veteran-Owned Small Businesses (VOSBs). VA refers to this program as the Veterans First Contracting Program. In order to qualify for participation, eligible business owners must first be verified. The VA Veteran-Owned Small Business Verification Guidelines at 38 CFR § 74 establish the VetBiz VIP Verification process.

The Office of Small and Disadvantaged Business Utilization (OSDBU) Center for Verification and Evaluation (CVE) is required to measure the effectiveness of different stages of the afore-mentioned Verification process and how it fulfills Veterans’ needs. The stages to be measured are pre-application, post-determination and exit. To collect this processing information, CVE will solicit voluntary opinions of Verification applicants. The results will be used to improve different areas of this program.

2. Indicate how, by whom, and for what purposes the information is to be used; indicate actual use the agency has made of the information received from current collection.

This is the first time that the proposed collection will take place, so no information has been used yet. The collected data will be used by OSDBU’s leadership to evaluate how the Verification program fulfills SDVOSBs and VOSBs’ needs and to determine if there are areas that need to be improved.

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.

An electronic survey will be emailed to SDVOSBs and VOSBs that have gone through the Verification pre-application, post-determination, or exit stage of the verification process. The email message will include a link to the survey, which will be in compliance with the Rehabilitation Act, Section 508. An electronic submission of responses was selected, considering it is the quickest and most economical way to gather the required information. Electronic submissions allow business owners to submit responses at their convenience, from all over the nation. Over 90 percent of the questions are close-ended, which reduces the

burden to participants.

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.

Information about satisfaction levels of SDVOSBs and VOSBs with the VA Verification process has never been collected; however, it is needed to determine if there are areas that require improvements. There is statistical information available regarding the number of SDVOSBs and VOSBs applying for Verification, such as how many have been approved and when. However, no information has been collected on how efficient the SDVOSBs and VOSBs perceive the Verification program is, and what the challenges they encounter.

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

The burden consists of the collection of information which is essential to determine the satisfaction levels of SDVOSBs and VOSBs going through the Verification program, as well as how to improve this program. In order to minimize the burden, respondents will be contacted once as follows: a) to measure the Pre-Verification stage, the survey link will be emailed once participants apply for the program, b) to measure the Post-Determination process, the survey link will be emailed along with the determination letter, and c) to measure the Exit process, the survey link will be emailed on a monthly basis, after identifying the small businesses whose Verification status has expired or that have started but not completed their application. The Verification status lasts for 2 years, so participants will not be contacted during that period of time. However, they may be contacted once again to request them to complete a 3-minute Post-Determination survey to establish the satisfaction level with the overall Verification process.

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.

OSDBU needs to collect this information to determine the efficiency of the Verification program and whether participants view it as a burden. Collected data will be used to make improvements or streamline the process where possible.

Upon approval, the Vetbiz VIP Verification Program applicants have documented proof of eligibility to participate in the Vets First Contracting Program within VA, which was created under Public Law, P.L. 109-461. This gives confidence to VA that set-asides are being awarded to legitimate firms owned and controlled by Veterans or Service-Connected Disabled Veterans.

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 require the collection of information to be conducted in a manner that is inconsistent with the guidelines in 5 CFR 1320.6.

8. 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.

A 60-day notice of Proposed Information Collection Activity was published in the Federal Register on August 28, 2014 and a 30-day notice was published on November 25, 2014. A Veteran small business owner submitted comments, which in place of addressing the collection process provided the information about the Verification process. The following is the information provided by this Veteran: 1) the information required through the verification application process is appropriate for a new application, 2) many detailed documents were requested to him when applying, 3) re-verification should not seek for redundant information.

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 recordkeeping instructions, recordkeeping, 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.

VA OSDBU, Outreach Division corresponded with the CVE Verification Team, and discussed the availability of data and frequency of collection, among other topics. It was explained that this information has never been collected, and as CVE modifies the program process, the data is needed to measure the impact of those improvements.

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

No payments or gifts will 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.

The survey is anonymous, which is explained at the beginning of the questionnaire. No personally identifiable information is collected.

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.

There are no questions of a sensitive nature.

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

a. Verification Program

Number of respondents is estimated at	250 per month
Frequency of response is annually	1
Number of responses is estimated at	3,000 per year
Average estimated response time is	Avg. 3 minutes per questionnaire
Annual burden is estimated at	150 hours

b. If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB 83-I.

This request covers the following 3 forms, which have been aggregated in Item 13 of OMB 83-I.

a. Verification Program- Pre-Application

Number of respondents is estimated at	100 per month
Frequency of response is annually	1
Number of responses is estimated at	1,200 per year
Average estimated response time is	Avg. 3 minutes
Annual burden is estimated at	60 hours per year (5 hours per month)

b. Verification Program- Post-Determination

Number of respondents is estimated at	100 per month
Frequency of response is annually	1
Number of responses is estimated at	1,200 per year
Average estimated response time is	Avg. 3 minutes
Annual burden is estimated at	60 hours per year (5 hours per month)

c. Verification Program- Exit

Number of respondents is estimated at	50 per month
Frequency of response is annually	1

Number of responses is estimated at	600 per year
Average estimated response time is	Avg. 3 minutes
Annual burden is estimated at	30 hours per year (2.5 hours per month)

c. Provide estimates of annual cost to respondents for the hour burdens for collections of information. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.

The cost to the respondents for completing these forms is \$3,320 (rounded-150 hours x \$22.13 per hour. Source: *Department of Labor, Bureau of Labor Statistics, <http://www.bls.gov/news.release/ecec.nr0.htm>*).

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.
- 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.

VA has a fixed cost contract for survey services. The table below shows the annual costs for collecting, analyzing and reporting results.

<u>Description</u>	<u>Monthly Cost</u>	<u>Yearly Cost</u>
Survey Vendor Rate per 8 Hours*	\$850	
Survey Vendor Cost per year		\$10,200
VA Administrative Cost -10 hours		\$ 450
Total Annual Cost		<u>\$10,650</u>

**Eight hours of monthly work estimate*

15. Explain the reason for any program changes or adjustments reported in Items 13 or 14 of OMB 83-I

This is a new data 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.

Frequency and cross tabulations are the only analysis planned at this moment to be conducted. Some information may be posted at OSDDBU's website (www.va.gov/OSDBU/).

This project is an ongoing one, where potential respondents will be reached after they apply for Verification, when receiving a determination letter, when their verification status expires or when they create an incomplete profile at the VetBiz website (www.vip.vetbiz.gov). Information will be collected continuously, until the expiration date of the forms.

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

VA will include the expiration date for OMB approval on the form.

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 such exceptions.