

**Supporting Statement for VA Form 21P- 4703, *Fiduciary Agreement*
(2900-0319)**

A. Justification

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

VA's Fiduciary Program is responsible for carrying out a Congressional mandate that VA maintain supervision of the distribution and use of VA benefits paid to a fiduciary on behalf of a beneficiary who is determined to be incompetent by VA rating, minority, or finding of legal disability by a court of proper jurisdiction. Title 38 U.S.C. 5502(b) requires VA supervision over VA benefits paid to third-party payees on behalf of incompetent beneficiaries. There are two basic types of fiduciary relationships: court appointed and federal. VA Form 21-4703 is an agreement of the responsibilities of the fiduciary in accordance with the requirements of 38 CFR 13.57, 13.58, 13.61, 13.62, and 13.63. When completed by VA and signed by the federal fiduciary, it constitutes a legally binding contract. The form is being revised to better align with the program direction and updates to the Fiduciary Program Manual.

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 form is used as a legal contract between VA and a federal fiduciary. It outlines the responsibilities of the fiduciary with respect to the uses of VA funds. Due to its contractual nature, a violation of the stated terms may result in VA Regional Counsel initiating legal actions against the fiduciary.

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 described any consideration of using information technology to reduce burden.

VA Form 21-4703 is a legally binding contract. As such, it requires the original signature of the fiduciary. There is no practical way to reduce the reporting burden on the public and maintain the form as a legal contract through the use of currently available information technology systems.

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.

This form serves a unique function in VA. There is no similar or duplicative form or function in this or any other agency.

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

The information collection involves some small businesses, but only to the extent that individuals or companies have incorporated, offer professional fiduciary services, and are recognized by VA as fiduciary for an individual VA beneficiary. There is no major impact on these entities.

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.

This agreement is signed by the fiduciary only at the time of the initial appointment. If gathered less frequently, there would be no binding agreement to protect VA-derived funds.

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 to be conducted in a manner inconsistent with the guidelines of 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.

The Department notice was published in the Federal Register on April 21, 2017 (Volume 82, No. 76) (18833). No comments were received in response to this notice.

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, 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.

No attempts were made to contact respondents to request assistance with updating the information due to the contractual obligations of the form.

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

No payments or gifts to respondents have been made under this collection of information.

10. Describe any assurance of privacy to the extent permitted by law provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

The records are maintained in the appropriate Privacy Act System of Records identified as "VA Compensation, Pension, Education, and Vocational Rehabilitation and Employment Records - VA (58 VA 21/22/28)," republished in its entirety at 74 FR 14865 (April 1, 2009).

11. Provide additional justification for any questions of a sensitive nature (Information that, with a reasonable degree of medical certainty, is likely to have a serious adverse effect on an individual's mental or physical health if revealed to him or her), 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:

Estimate of Information Collection Burden:

a. Number of Respondents: 47,000

b. Frequency of Response: 1 time

c. Annual Burden Hours: 3,917

d. Estimated Completion Time: The estimated completion time of 5 minutes is based on review by staff personnel and previous usage of this form.

e. The respondent population for VA Form 21P-4703, *Fiduciary Agreement*, are individuals interesting in being appointed a-federally-appointed fiduciary for a beneficiary's VA benefits. VBA cannot make further assumptions about the population of respondents because of the variability of factors such as the educational background and wage potential of respondents. Therefore, VBA used general wage data to estimate the respondents' costs associated with completing the information collection.

The Bureau of Labor Statistics (BLS) gathers information on full-time wage and salary workers. According to the latest available BLS data, the median weekly earnings of full-time wage and salary workers are \$954.40. Assuming a forty (40) hour work week, the median hourly wage is \$23.86 based on the BLS wage code – “00-0000 All Occupations”. This information is taken from the following website: (http://www.bls.gov/oes/current/oes_nat.htm, May 2016).

Legally, respondents may not pay a person or business for assistance in completing the information collection. Therefore, there are no expected overhead costs for completing the information collection. VBA estimates the total cost to all respondents to be \$429,480.00 (18,000 burden hours x \$23.86 per hour).

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.
- 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.

Estimated Costs to the Federal Government:

Grade	Step	Burden Time	Hourly Rate	Cost Per Response	Total Responses	Total
10	3	5	\$24.34	\$ 2.0283	47,000	\$ 95,330.00
Overhead at 100% Salary						\$ 95,330.00
Overhead costs are 100% of salary and are same as the wage listed above and the amounts are included in the total.						
Processing / Analyzing Costs						\$ 95,330.00
Printing and Production Cost						\$ 1,056.00
Total Cost to Government						\$96,386.00

Note: the hourly wage information above is based on the hourly 2017 General Schedule (Base) Pay (https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2017/GS_h.pdf). This rate does not include any locality adjustment as applicable.

The processing time estimates above are based on the actual amount of time employees of each grade level spend to process to completion a claim received on this form. The within-grade step (3) of each employee represents the average experience of employees within each grade.

15. Explain the reason for any burden hour changes since the last submission.

The burden hours have not changed.

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.

The information collection is not for publication or tabulation use.

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 approval to omit the expiration date for OMB approval.

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

This submission does not contain any exceptions to the certification statement.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This collection of information does / does not employ statistical methods.