

**SUPPORTING STATEMENT FOR LENDER'S STAFF APPRAISAL
REVIEWER (SAR) APPLICATION
OMB 2900-0658
VA Form 26-0785**

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 Form 26-0785 (fillable printable) is used to collect data necessary for the Department of Veterans Affairs (VA) compliance with the requirements of 38 U.S.C. 3702(d) and 38 CFR 36.4344. Title 38 U.S.C. 3702(d) authorizes VA to establish standards for lenders making automatically guaranteed loans and 38 CFR 36.4344 establishes requirements and procedures for lenders in being approved to perform the functions under the Lender Appraisal Processing Program (LAPP).

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.

Specifically, the data supplied by persons and firms completing VA Form 26-0785 are used by employees of lenders making an application, and by lenders to nominate employees, to be approved as a VA-approved Staff Appraisal Reviewer (SAR). VA General Counsel has determined that the granting of such approval constitutes the granting of a license. Lender SARs, once approved, are delegated the authority to review real estate appraisals and to issue Notices of Value (NOVs) on behalf of VA. These NOVs establish the reasonable value to be used in determining the maximum amount of a VA loan guaranty. The granting of this authority has direct impact on program integrity and the financial interests of VA, the veterans VA serves, and the United States Government.

Once approved, a SAR retains their original SAR Identification Number whenever changing employment. Whenever a SAR changes employment, they and their new employer must make the certifications on this form to VA as a way for VA to track where a SAR is employed and for what lender they are performing. This is a critical factor in VA's program oversight.

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.

Internet based. This form is available on the VA Forms website in a fillable electronic format. Automated collection of the data by improved information technology is currently limited by the wide variations in lender's 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.

There is no duplication of information involved.

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

The collection of information does not involve small businesses.

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 information collection is not a recurring or repetitive report. The collection is generally conducted once per individual applicant. A SAR retains their original SAR Identification Number whenever changing employment. Whenever a SAR changes employment, they and their new employer must make the certifications on this form to VA as a way for VA to track where a SAR is employed and for what lender they are performing. This is a critical factor in VA's program oversight.

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 is no special circumstance requiring collection in a manner inconsistent with 5 CFR 1320.6 guidelines.

8. 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 November 28, 2017, volume 82, number 227, page 56331. No comments were received.

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.

Loan Guaranty Home, Condominium and Manufactured Home Loan Applicant Records, Specially Adapted Housing Applicant Records, and Vendee Loan Applicant Records - VA" (55VA26) contained in the Privacy Act Issuances, 2014 Compilation.

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: 2,400 per year
- b. Frequency of Response: on occasion
- c. Annual Burden Hours: 200 hours
- d. Estimated Completion Time: 5 minutes
- e. The respondent population is composed of employees of lenders making an application, and by lenders to nominate employees, to be approved as a VA-approved Staff Appraisal Reviewer (SAR). 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 gathers information on full-time wage and salary workers. Accordingly, the median weekly earnings of full-time wage and salary workers is \$1224.00. Assuming a forty (40) hour work week, the median hourly wage is \$36.67 based on the BLS wage code – “13-2072 Loan Officers.” This information was taken from the following website: (https://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 and a person or business may not accept payment for assisting a respondent 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 \$7,334 (200 burden hours x \$36.67 per hour).

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

This submission does not involve any recordkeeping costs.

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
13	7	10	\$48.56	\$ 8.09	2,400	\$ 19,424
Overhead at 100% Salary						\$ 19,424
Overhead costs are 100% of salary and are the same as the wage listed above and the amounts are included in the total.						
Processing / Analyzing Costs						\$0
Printing and Production Cost						\$0
Total Cost to Government						\$19,424

Note: the hourly wage information above is based on the hourly 2018 General Schedule (Base) Pay (https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2018/GS_h.pdf). This rate does not include any locality adjustment as applicable.

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

There is no change in burden hours or respondent time. This information collection expired due to a program oversight. The program has instituted a tracking procedure to prevent incidents like this in the future.

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 not display 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. Collection of Information Employing Statistical Methods

This collection of information does not employ statistical methods.