

**Supporting Statement for State Approving Agency Reports and Notices 38 CFR
21.4154, 21.4250(b), 21.4258, 21.4259
OMB 2900-0051**

A. Justification

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

Statute 38 USC 3671 requests that each State create or designate a State department or agency as the “State approving agency” (SAA) for the purposes of chapters 34, 35, and 36 of title 38 USC. Chapter 36 of 38 USC contains rules for the administration of educational assistance benefits.

The SAA is responsible for approving programs of education for receipt of educational assistance benefits administered by VA. Section 3678 requires that the SAA notify an educational institution and VA when approval has been granted for a program of education. The SAA must also send those institutions and VA any subsequent approval notice amendments. The approval notices submitted to VA must include specific information specified in 38 U.S.C. 3678 and be accompanied by a copy of the institution’s catalog or bulletin.

Title 38 U.S.C. 3674(c) provides that the SAAs will submit reports to VA on their activities at least annually, or as determined by the Secretary. Section 3674(a) (4) shows the maximum amount VA has available for each fiscal year for the purposes of reimbursing the SAAs for activities performed.

Section 3673 instructs the Secretary of VA and the SAAs to cooperate and establish an exchange of information pertaining to educational institutions to assure the programs administered by VA are effectively and efficiently administered.

(Note: 38 USC 3689 states that sections 3673, 3674, 3678, 3679 are applicable for the purposes of approving licensure and certification tests.)

VA’s regulations implementing the statutory authority above are as follows:

- 38 CFR 21.4154, 21.4250(b), 21.4258, 21.4259:
- 38 CFR 21.4154 which addresses reporting SAA activities (38 USC 3674(c))
- 38 CFR 21.4250(b) which addresses notices of approvals, suspension of approvals, and disapprovals (38 USC 3678, 3679)
- 38 CFR 21.4258 which addresses notices of approvals
- 38 CFR 21.4259 which addresses notices of suspension or disapproval

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.

Information collected under 38 CFR 21.4154 – The SAA reports its activities to VA quarterly. The SAA does so electronically by completing a web-based screen. VA uses the information in the reports to support the reimbursement of activities of the SAA.

Information collected under 38 CFR 21.4250(b), 21.4258, and 21.4259 – The SAA prepares notices of approval to inform educational institutions, training establishments, and organizations or entities that their courses, training, or tests are not approved or the approval of previously approved courses, training, or tests is suspended. The SAA must also send VA a copy of each of these notices. There are 57 SAAs, each with its own jurisdiction for approval of courses, training, or tests. Some States have more than one SAA because one internal agency is responsible for schools, another for workplace training. Additionally, the District of Columbia, Puerto Rico and the U.S. Virgin Islands have authorized SAA jurisdictions.

The SAA approves, disapproves, or suspends program approval based on the criteria in 38 USC chapter 36. Some of the criteria used in these determinations include site visits; and review of course materials, training programs, instructors' credentials, or review of tests for licensure and certification.

VA uses the approval notice information (or lack thereof) to determine if payment of educational assistance is appropriate. Under 38 USC 3680, VA may not provide educational assistance to any eligible veteran or eligible person if his or her educational program or training program does not meet the requirements of 38 USC 3670 et seq. Without these notices, VA would not know which programs the SAA determined met the criteria in 38 USC chapter 36. Without disapproval notices, or notices of suspended approval, VA would make inappropriate payments to Veterans and their dependents.

38 CFR 21.4258(a) requires the SAA list individual programs approved in the notice. This requirement is needed since not all courses/programs an educational institution provides are approvable under 38 USC chapter 36. For example, some schools offer courses that are recreational in nature. Payment for recreational courses is prohibited under 38 USC 3680A. Listing approved courses in the notice ensures VA pays educational assistance for only those courses/programs approved.

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.

VA requires SAAs to submit notices to VA through an electronic system known as e-force, in accordance with 38 CFR 21.4250(b), 21.4258, and 21.4259. The primary burden stems from the analysis of determining whether the course, training program, or test meets the requirements in 38 USC chapter 36. That analysis generally requires on-site visit of the institution seeking approval and review of its records and training materials. The approval, disapproval, or suspension notices serve as the documents that show the SAA's findings. However, each State individually prepares notices in accordance with their individual State regulations and procedures

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.

VA is not aware of any duplication of this information collection. SAAs are the only source for the data.

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 or entities. The SAAs are State departments or State agencies, designated by each individual State, that enter into a contract with VA.

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.

The approval/disapproval and suspension notices required by 38 CFR 21.4250(b), 21.4258, and 21.4259 are necessary so that VA does not pay educational assistance to individuals pursuing a program that does not meet the approval criteria specified in 38 USC chapter 36. Without the notices, VA would not be able to determine which courses/training programs/tests the SAAs approved in accordance with the criteria 38 USC chapter 36, nor would VA be able to determine which courses/training programs/tests did not meet the criteria. The notices are collected as the institution/training establishment/, or organization or entity offering licensure or certification tests, requests approval of its offerings. The SAAs submit notices when they reach their decisions on whether the offerings may be approved. If the SAAs waited to do so quarterly, instead of as the decision is reached, unnecessary delays in proper payment of educational assistance would occur. VA cannot award educational assistance without knowledge that the program is approved in accordance with 38 USC chapter 36. In addition, waiting for quarterly or annual notification of disapproval of a course previously approved would cause VA to pay educational assistance to individuals in error.

- 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.**

The information collection in 38 CFR 21.4154 is collected quarterly. See the response to item 6, discussing the impact of collecting it less frequently.

The information collection in 38 CFR 21.4250(b), 21.4258, and 21.4259 are collected more than quarterly. See the response to item 6 for justification for collecting the information more frequently.

- 8. If applicable, provide a copy and identify the date and page number of publications 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 24, 2020, Volume 85, Number 80, page 23139. There was one comment received.

One comment received from Veterans Education Success. The comments include—

- VA to consider updating technology to improve efficiency on SAAs submission on quarterly reports.
- VA to consider reduce the SAAs compliance survey workload
- VA to consider allowing SAAs to suspend new enrollments sooner

VA Response: These proposed recommendations were submitted to VA leadership for acknowledgement and consideration.

Thanks for your support.

- 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. However, the SAAs are reimbursed for their expenses under contract. Authority: 38 USC 3674.

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 quantitative data from each SAA is shared with and concurred by the ELR of jurisdiction. Our assurance of confidentiality is covered by our System of Records, Compensation, Pension, Education and Vocational Rehabilitation and Employment Records – VA (58VA21/22/28), that are contained in the Privacy Act Issuances, 2012 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.

None of the information collected is of a sensitive nature.

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

Estimate of Information Collection Burden.

a. Number of Respondents: **57**

a. Frequency of Response: Collected annually, but reported quarterly to VA each year (57 X 4 = 228 annual burden hours)

c (1). Annual Burden Hours: **228 burden hours.**

38 CFR 21.4154 = 228 hours. There are 57 SAAs that provide quarterly reports that VA estimates takes an average of 1 hour.

c (2). Number of Respondents: **4,521.**

Frequency of Response: VA estimates 57 SAAs reported 4,521 average approval (includes disapproval/suspension) actions annually from 2017, 2018 and 2019. Each action averages 11 hours of preparation work, and 4 hours for compiling the notices.

38 CFR 21.4250(b), 21.4258, and 21.4259 = **67,815 burden hours** (15 X 4521).

Total Burden Hours = 228 + 67,815 = 68,043 total burden hours.

- d. Estimated Completion Time: Each action averages 11 hours of preparation work, and 4 hours for compiling the notices = Total 15 hours.
- e. The respondent population is composed of SAAs. The annual net cost to the public for this collection is ZERO, since the SAAs are reimbursed under a contract for submitting this information.

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).

VA reimburses respondents for the work performed and expenses incurred. 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
		4				
11	Step 5	Burden Time	\$34.76	\$139.04	57	\$ 1,981.32
		1.5				
Overhead costs are 100% of salary and are same as the wage listed above and the amounts are included in the total.						\$ 157,149.96
Overhead at 100% Salary						\$ 157,149.96
Note: The hourly wage information above is based on the hourly 2020. General						
Processing / Analyzing Costs						\$165,075.24
Printing and Production Cost						\$0
Total Cost to Government						\$165,075.24

Schedule (Base) Pay ([https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2020/RUS%20\(LEO\)_h.pdf](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2020/RUS%20(LEO)_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 (5) 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.

There was an decrease in burden hours due to an decrease in the number of schools and training facilities, even though in previous collections, VA had estimated that the SAA would not need to review approvals for at least 50% of the programs requesting approval because the PL 111-377 deemed the following programs as approved for VA purposes without SAA review:

- Accredited standard college degree program offered by public and non-profit institutions of higher learning
- Flight training courses approved by the Federal Aviation Administration (FAA) offered by a certified pilot school that possesses a valid FAA pilot school certificate
- An apprenticeship program registered with the Department of Labor
- A program leading to a secondary school diploma offered by a secondary school approved in the State in which it is operating. SAAs are now required to review the aforementioned programs.

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.

The National Association of State Approving Agencies has its own instructions for completing the elements of the database. VA simply accesses the database to obtain information. VA has no jurisdiction either over the data elements, the instructions for completing those elements, or an expiration date. As such, VA seeks continued exemption from displaying the expiration date.

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.