

**7Supportive Statement for VA Form 0877
Vendor Information Pages
Verification Program
2900-0675**

A. Justification

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

The Department of Veterans Affairs (VA), Center for Verification and Evaluation (CVE) supports VA's duties prescribed by Public Law 106-50, the "Veterans Entrepreneurship and Small Business Development Act of 1999." Our objective is to help VA reach the statutory procurement goal that at least 3% of total prime contract dollars be spent with Service-Disabled Veteran-Owned Small Businesses (SDVOSBs) and verify that each small business seeking procurement opportunities with the VA is owned and controlled by one or more Veterans as required by law. Other Federal agencies also have the same goal. Large Federal contractors have similar subcontracting goals. The US Census Bureau has identified roughly 2.5 Million Veteran-Owned businesses.

Additionally, for Fiscal Year 2020, VA self-imposed a goal that 17% of prime contract dollars be spent with Veteran-Owned Small Businesses (VOSBs) and 15% with SDVOSBs. Executive Order 13360 (October 2004) states that the Secretary of VA "shall assist agencies by making available services of the CVE and assist in verifying the accuracy of contractor registration databases with regard to service-disabled veteran businesses." Related Federal Legislation: Public Law 109-461, "Veterans Benefits, Health Care, and Information Technology Act of 2006" (December 2006) as amended by Public Law 111-275, "Veterans Benefits Act of 2010" (October 2010), and Public Law 114-328, "National Defense Authorization Act of 2017" (December 2016) 38 U.S.C. Section 8127; Public Law 108-183, "Veterans Benefits Act of 2003" (December 2003); and Public Law 106-554, "Consolidated Appropriations Act, 2001" (December 2000).

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 will be used in two ways. (1) The information is used to identify Veteran-Owned Small Businesses (VOSBs). The Veteran, Service-Disabled and/or surviving spouse business owners (or designees) will enter company information on an electronic form which includes business partner names, ownership interest, social security numbers and date of birth for Veterans. This information will be located on a secure database. The Veteran and surviving spouse Owners will have to verify that at least 51% of the business is owned by Veterans, Service-Disabled Veterans and/or surviving spouses.

For companies included on the VA's database of approved Veteran-Owned companies, federal and private contracting officers will use the database to help meet their procurement goals. This database is also used by businesses and citizens interested in purchasing goods or services from VOSBs. The ease of identifying such businesses promotes teaming and mentorship within the Veteran business community. (2) The

information is used to identify Veteran or Service-Disabled Veteran Small Business Owner. The Veteran or Service-Disabled Veteran Small Business Owners will have to enter their personal information into an electronic form that will be located on a secure database and electronically signed. Only CVE personnel will use the information to verify the business owners as Veterans, Service-Disabled Veterans, and/or surviving spouses by utilizing VA's Beneficiary Identification Records Locator Subsystem (BIRLS) database.

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.

The collection will be made using an online electronic database to efficiently manage data collection, minimize the use of paper, and make non sensitive information accessible 24 hours a day on companies approved for the database. After the business information is submitted, it will be stored into a Structured Query Language (SQL) database and then verified by staff members. Using an internet-based application will reduce the burden on owners by eliminating postage and mail transit time.

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.

The System for Award Management (SAM) receives information for business concerns seeking Federal contract work. Because SAM is not specifically tailored to Veteran business owners and is self-certifying, it does not ask the question or certify the business is 51% owned by one or more Veterans. In the absence of gateway questions (e.g., Are the owner(s) Veterans? Do the owners have service-connected disabilities? Do they have documentation? Is the business small for Federal contracting purposes?) contracting officers may rely upon inaccurate information when making sourcing determinations. Additionally, when awarding contracts, contracting officers have an additional burden of ensuring the business meets the definitions outlined in the Federal Acquisition Regulation, an additional processing step in the procurement timeline. Further, the Secretary of Veterans Affairs is required by Public Law 109-461 as amended by Public Law 111-275 and Public Law 114-328 to verify and maintain a database of all VOSBs. To compete for Veteran set-aside procurement opportunities with the VA, Veteran-Owned small businesses must be listed in the database of VOSBs.

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

There will not be any significant economic impact on a substantial number of small businesses. Completing the electronic forms requires approximately 30 minutes. For this investment of time, the owner is provided helpful information; notices of requirements; periodic information about training; and events in the community.

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 collection of information will validate a Veteran's business ownership status. This action will provide assurance that the business is owned by Veterans or Service-Disabled Veterans. Such assurance is expected to stimulate an increased number of set-asides for SDVOSBs and greater inclusion of VOSBs on sourcing lists. This action is necessary to comply with Public Law 109-461 as amended by Public Law 111-275 and Public Law 114-328 to verify businesses within the Vendor Information Pages (VIP) database. This public listing will encourage agencies to contract with Service-Disabled Veterans. It is also a requirement of the Secretary of VA under Public Law 106-50 in accordance with Public Law 109-461 as amended by Public Law 111-275 and Public Law 114-328.

This information must be collected in order to support the goals of Public Law 109-461 as amended by Public Law 111-275 and Public Law 114-328 and Executive Order 13360 to assist Federal contracting officers with verifying Veteran and SDVOSB status. Without accurate information, there is a danger that many awards to SDVOSBs will be protested thereby inhibiting the ability of Federal agencies to award contracts to SDVOSBs.

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 applicants will be asked to submit their name, social security number or VA claim number/file number, date of birth to which describe the ownership structure of the business to verify that at least 51% or more of the business is owned by one or more Veterans (or, in the case of SDVOSBs, by Veterans who have documentation of service-connected disabilities or surviving spouses).

8. a. If applicable, provide a copy and identify the date and page number of the 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 Notice of Proposed Information Collection Activity was published in the Federal Register on April 21, 2021, Volume 86, Page(s) 20794. There were no comments 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.

Efforts to solicit views will be done through publication of the 60 and 30-day Federal Register Notices, seeking public comment.

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

VA does not provide any payment or gifts to respondents.

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.

VA Vendor Information Pages 123VA00VE, Privacy Act of 1974, Privacy Act 5 U.S.C. 552a, HIPPA Privacy Rule, OMB Memorandum 99-18, VA Handbook 6300.4, will govern activities by all staff members during the collection and accessing of information using the NARA-compliant filing system.

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.

None of the questions on this form are considered to be of a sensitive nature other than social security numbers and VA claim numbers/file numbers.

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

VA anticipates 20,000 applicants a year. The time to complete the online application is estimated at 30 minutes; therefore, the estimated burden hours is 10,000 hours.

Form/Application Number	No. of respondents	x No. of responses	x No. of minutes	÷ by 60 =	Number of Hours
VA Form 0877	20,000	1	30		10,000

Estimate of Information Collection Burden:

- a. **Number of Respondents:** 20,000
- b. **Frequency of Response:** Once every 3 years
- c. **Estimated Completion Time:** 30 minutes
- d. **Annual Burden Hours:** 10,000
- e. **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories.**

The cost of contracting out or paying outside parties for information collection activities should not be included here.

See item 13 below.

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 one form.

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).

There will be no record-keepers cost.

The cost burden to respondents is \$595,600 and was calculated using the May 2018 U.S Bureau of Labor Statistics National Occupational Employment and Wage Estimates (https://www.bls.gov/oes/current/oes_nat.htm). According to this source, the mean hourly wage to General and Operations Managers (Occupation Code 11-1021) is \$59.56. This salary, times 10,000 annual burden hours, equals \$595,600 per year.

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.

There will be no annualized cost to the Federal government.

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

20,000 (No. of Respondents) multiplied by 30 (No. of minutes to complete 0877) = 600,000 divided by 60 = 10,000

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.

No sensitive information collected will be published.

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.

CVE is not requesting exemption for display of an expiration date on this form.

19. There are no exceptions to the certification statement identified in item 19 of the OMB 83-I.

B. Collection of Information Employment Statistical Methods

There will be no statistical methods used in the collection of information.