

Paperwork Reduction Act Submission

Please read the instruction before completing this form. For additional forms or assistance in completing this forms, contact your agency's Paperwork Reduction Officer. Send two copies of this form, the collection instrument to be reviewed, the Supporting Statement, and any additional documentation to: Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 Seventeenth St. NW, Washington, DC 20503.

1. Agency/Subagency Originating Request:

U.S. Department of Housing and Urban Development
Office of Housing – Office of Housing Assistance and Grant Administration

2. OMB Control Number:

a. **2502-0187** b. None

3. Type of information collection: (check one)

- a. New Collection
- b. Revision of a currently approved collection
- c. Extension of a currently approved collection
- d. Reinstatement, **without change**, of previously approved collection for which approval has expired
- e. Reinstatement, **with change**, of previously approved collection for which approval has expired
- f. Existing collection in use without an OMB control number

For b-f, note item A2 of Supporting Statement instructions.

4. Type of review requested: (check one)

- a. Regular
- b. Emergency - Approval requested by
- c. Delegated

5. Small entities: Will this information collection have a significant economic impact on a substantial number of small entities?

- Yes No

6. Requested expiration date:

- a. Three years from approval date b. Other (specify)

7. Title:

Requisition for Disbursement of Sections 202 & 811 Capital Advance/Loan Funds

8. Agency form number(s): (if applicable)

HUD-92403-CA and HUD-92403-EH

9. Keywords:

Housing, Mortgage, Development Costs, Grant Funds, Loan Funds, Elderly, Disability

10. Abstract:

Owner entities submit requisitions periodically (generally monthly) to HUD during construction to obtain Section 202/811 capital advance/loan funds. This collection identifies the owner, project, type of disbursement, items covered, name of the depository, and account number.

11. Affected public: (mark primary with "P" and all others that apply with "X")

- | | |
|--|---|
| a. <input type="checkbox"/> Individuals or households | e. <input type="checkbox"/> Farms |
| b. <input type="checkbox"/> Business or other for-profit | f. <input type="checkbox"/> Federal Government |
| c. <input checked="" type="checkbox"/> Not-for-profit institutions | g. <input type="checkbox"/> State, Local or Tribal Government |

12. Obligation to respond: (mark primary with "P" and all others that apply with "X")

- a. Voluntary
- b. Required to obtain or retain benefits
- c. Mandatory

13. Annual reporting and recordkeeping hour burden:

- | | |
|--|-------|
| a. Number of respondents | 266 |
| b. Total annual responses | 2,460 |
| Percentage of these responses collected electronically | 0% |
| c. Total annual hours requested | 1,230 |
| d. Current OMB inventory | 1,230 |
| e. Difference (+,-) | |
| f. Explanation of difference: | 0 |
| 1. Program change: | |
| 2. Adjustment: | |

14. Annual reporting and recordkeeping cost burden: (in thousands of dollars)

- Do not include costs based on the hours in item 13.
- | | |
|---|--------|
| a. Total annualized capital/startup costs | \$0.00 |
| b. Total annual costs (O&M) | \$0.00 |
| c. Total annualized cost requested | \$0.00 |
| d. Total annual cost requested | \$0.00 |
| e. Current OMB inventory | \$0.00 |
| f. Explanation of difference: | |
| 1. Program change: | |
| 2. Adjustment: | |

15. Purpose of Information collection: (mark primary with "P" and all others that apply with "X")

- | | |
|---|--|
| a. <input checked="" type="checkbox"/> Application for benefits | e. <input type="checkbox"/> Program planning or management |
| b. <input type="checkbox"/> Program evaluation | f. <input type="checkbox"/> Research |
| c. <input type="checkbox"/> General purpose statistics | g. <input type="checkbox"/> Regulatory or compliance |
| d. <input type="checkbox"/> Audit | |

16. Frequency of recordkeeping or reporting: (check all that apply)

- | | | |
|--|--|--|
| a. <input type="checkbox"/> Recordkeeping | b. <input type="checkbox"/> Third party disclosure | |
| c. <input checked="" type="checkbox"/> Reporting: | | |
| 1. <input checked="" type="checkbox"/> On occasion | 2. <input type="checkbox"/> Weekly | 3. <input checked="" type="checkbox"/> Monthly |
| 4. <input type="checkbox"/> Quarterly | 5. <input type="checkbox"/> Semi-annually | 6. <input type="checkbox"/> Annually |
| 7. <input type="checkbox"/> Biennially | 8. <input type="checkbox"/> Other (describe) | |

17. Statistical methods:

Does this information collection employ statistical methods?
 Yes No

18. Agency contact: (person who can best answer questions regarding the content of this submission)

Name: **Adia Hayes**
Phone: 202-402-2463

19. Certification for Paperwork Reduction Act Submissions

On behalf of the U.S. Department of Housing and Urban Development, I certify that the collection of information encompassed by this request complies with 5 CFR 1320.9.

Note: The text of 5 CFR 1320.9, and the related provisions of 5 CFR 1320/8(b)(3) appears at the end of the instructions. The certification is to be made with reference to those regulatory provisions as set forth in the instructions.

The following is a summary of the topics, regarding the proposed collections of information that the certification covers:

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It reduces burden on small entities;
- (d) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
- (e) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (f) It indicates the retention periods for recordkeeping requirements;
- (g) It informs respondents of the information called for under 5 CFR 1320.8(b)(3):
 - (i) Why the information is being collected;
 - (ii) Use of the information;
 - (iii) Burden estimate;
 - (iv) Nature of response (voluntary, required for a benefit, or mandatory);
 - (v) Nature and extent of confidentiality; and
 - (vi) Need to display currently valid OMB control number;
- (h) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to collected (see note in item 19 of the instructions);
- (i) It uses effective and efficient statistical survey methodology; and
- (j) It makes appropriate use of information technology.

If you are unable to certify compliance with any of these provisions, identify the item below and explain the reason in item 18 of the Supporting Statement.

Signature of Program Official:

Date:

X
Michael Winiarski, Deputy Director, Organizational Policy, Planning and Analysis Division, HROA

Signature of Senior Officer or Designee:

Date:

X
Lillian Deitzer, Departmental Reports Management Officer

Supporting Statement for Paperwork Reduction Act Submissions

Requisition for Disbursement of Sections 202 & 811 Capital Advance/Loan Funds

OMB Control Number 2502-0187
(HUD-92403-CA and HUD-92403-EH)

A. Justification

1. The Section 202 Program was first enacted as part of the Housing Act of 1959 to provide direct Federal long-term loans for the construction of housing for the elderly or handicapped. The program was intended to serve elderly persons whose income was above public housing levels but not sufficient to obtain adequate housing on the private market. The collection of this information is authorized by 24 CFR Part 891 (copy attached).

In 1973 there was an amendment to the program that extended eligibility to persons with developmental disabilities. In 1978, amendments added group homes and extended eligibility to the chronically mentally ill. The 1990 Cranston-Gonzalez National Affordable Housing Act not only replaced the loan program with a capital advance program with no debt service but it also separated the elderly from the disabled, hence the Section 811 Supportive Housing for Persons with Disabilities.

2. The requisition is completed by the Owner and submitted to HUD for processing and approval. In doing so, the Owner identifies the project, provides information about its depository, and lists the development costs for which payment is due. Upon receipt of the requisition, HUD staff reviews the information to determine the eligibility of the items listed, as well as the amounts requested. If approved, the appropriate HUD official signs the requisition and forwards it to HUD's Fort Worth Accounting Center for processing. A Treasury check is issued for payment. The check covers the first and final payments to the Owner, or is delivered to the Field Office for hand delivery to the Owner at the initial loan closing. All other payments are made by direct deposit to the Owner's bank account. Applicants are required to submit (along with the requisition form) unaltered documents with original signatures, i.e., original title updates, the Contractor's Requisition Form HUD-92448 (OMB No. 2502-0028), invoices, and receipts.

Form HUD-92403-CA, Requisition for Disbursement of Funds, is used for disbursement of capital advance funds.

Form HUD-92403-EH, Requisition for Disbursement of Section 202 Loan Funds, is required to be used by the Owner to apply for disbursements to meet bills that are due and payable to contractors for work completed. This form will remain in use until all "loan" projects have been closed, at which time this form will be terminated.

3. This information collection is not collected electronically. The form information represents the minimum information acceptable to HUD.
4. No duplication exists.
5. This information collection does not have a significant economic impact on a substantial number of small businesses or other small entities. However, in recognition of the need for these Owners to use the services of professional housing consultants, HUD permits a reasonable fee for consultant's services to be included in the Sections 202 & 811 capital advance. These consultants may assist the Owners in gathering the information needed to complete the requisition form.
6. Owners submit requisitions for funds based on the amount of construction work completed. Although HUD has no specific time frame for submitting Sections 202 & 811 requisitions, they are generally submitted on a

monthly basis. Less frequently submitted requisitions could cause the Owner to become delinquent in paying its obligations, including paying the general contractor which, in turn, could adversely affect the general contractor's ability to pay its subcontractors in a timely manner. In an extreme situation, the Owner's failure to pay its obligations within a reasonable period of time could result in a lien being filed against the project and work stoppage.

7. HUD requests that the requisition form be submitted monthly so that the owner can pay the contractor in a timely manner. A contract between the Contractor and the Owner is agreed upon on Form HUD 92442-A (OMB No. 2502-0011), Construction Contract Cost Plus. This contract requires that each month after the commencement of work, the Contractor request on Form HUD 92448 (OMB No. 2502-0028) for payment by the Owner for work done during the preceding month.
8. In accordance with 5 CFR 1310.8(d), the agency's notice soliciting public comments was announced in the *Federal Register* on November 26, 2008 (Vol. 73, No. 229, pages 72073). No comments were received.

This OMB request is the result of on-going telephone conversations, meetings, and workshops. The Department consulted with various housing professionals representing the types of Sponsors that generally participate in the Section 202 and Section 811 program, i.e., minority organizations, small organizations, and non-minority organizations, and has continued to consult with program participants during each annual funding cycle.

9. There are no decisions to provide any payment or gifts to respondents.
10. HUD does not assure confidentiality.
11. The information collection does not contain any sensitive questions.
12. Estimated Burden Hours and Costs to Respondents:

This submission also takes into consideration the total number of requisitions submitted from initial closing, through the construction period, to final closing.

Only those Owners of projects that closed as loans prior to the conversion of the program to capital advances are using the Form HUD-92403-EH and Owners of capital advance projects are using Form HUD-92403-CA (i.e., in connection with those projects that are still under construction or where construction has been completed but final closing has not been achieved). Based on a review of our records, the following numbers of projects (loans/capital advances) fall into the two categories:

Hubs	Number of Projects	
	811	202
Boston	5	15
New York	5	3
Buffalo	5	4
Philadelphia	14	12
Baltimore	11	7
Greensboro	10	7
Atlanta	10	13
Jacksonville	7	8
Chicago	7	8
Columbus	5	10
Detroit	2	3
Minneapolis	5	4
Ft. Worth	11	14

Kansas City	8	10
Denver	3	5
San Francisco	7	9
Los Angeles	2	4
Seattle	5	8
Totals	122	144
Grand Total	266	

Requisitions Submitted	Number of Respondents	Frequency of Response	Responses Per Annum	Burden Hour Per Response	Annual Burden Hours	Hourly Cost	Annual Cost
Section 202 Projects	144	12	1,728	.50	864	\$25.00	\$21,600
Section 811 Projects	122	6 *	732	.50	366	\$25.00	9,150
Totals	266		2,460		1,230		\$30,750

* Six months is the estimated construction time for an average-size 811 project).

Hourly cost is based on an estimate of project owner's staff with an annual salary of \$52,000.

13. There are no additional costs to the respondents.

14. Estimate of cost to the Federal Government: Inasmuch as the majority of the work involved in reviewing the requisitions is done at the HUD Program Center level, the significant costs attributable to the use of the requisition form will be the cost involved in reviewing the information on the form as submitted by the Owner. The review includes the steps taken to verify, to the maximum extent possible, the accuracy of the information submitted. Processing of the requisition involves three main principals:

- (1) staff at the HUD Program Center level – receives, reviews, and recommends approval of the requisition;
- (2) HUD staff from the Office of the Chief Financial Officer – performs the accounting functions, and prepares and submits the voucher to the Treasury Department for issuance of the Treasury check or direct deposits, as appropriate; and
- (3) staff from the Treasury Department – handles the issuance of the check or direct deposits.

Other costs include the cost for periodic printing of the form. It should be noted that reproduction of the form also is done at the HUD Program Center level. The cost to the Federal Government is based on an average salary at the GS-12 level.

Direct Personnel	Number of Forms Submitted	Total Hours per Form	Total Staff Hours	Hourly Rate	Total
Tech Support Division	266	1.5	399	\$36.34	\$14,500
Ft. Worth Accounting Center	266	1.0	266	\$37.00	9,842
Treasury	266	0.5	133	\$41.00	5,453
Totals	266	3.0	798		\$29,795

Hourly is based on the salary of a GS-12 at \$33/hour, plus overhead costs of \$3.34/hour at the HUD field office, \$4/hour at the Ft. Worth Accounting Center, and \$8/hour at Treasury.

15. This is an extension of a currently approved collection.

16. The results of this information collection will not be published.

17. HUD is not seeking approval to avoid displaying the expiration date.

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

B. Collections Information Employing Statistical Methods

This collection does not employ statistical methods.