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	2. OMB Control Number: a. 2577-0026 b. None				
Office of Public and Indian Housing Real Estate Assessment Center 3. Type of information collection: (check one) a. New Collection b. X 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. X 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 X No 6. Requested expiration date: a. X Three years from approval date b. Other (specify) 				
 7. Title: Public Housing Operating Fund Program: Operating Budget and 8. Agency form number(s): (if applicable) 	d Related Form				
HUD52574 9. Keywords: Housing, public housing operating subsidy, budget					
	 12. Obligation to respond: (mark primary with "P" and all others that apply with "X") a. Voluntary b. P Required to obtain or retain benefils 				
13. Annual reporting and recordkeeping hour burden:3,141a. Number of respondents3,141b. Total annual responses3,141Percentage of these responses collected electronically0%c. Total annual hours requested24,034d. Current OMB inventory377,548e. Difference (+,-)-313,514f. Explanation of difference:-313,5141. Program change:2. Adjustment:-313,514-313,514	 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 b. Total annual costs (O&M) c. Total annualized cost requested d. Current OMB inventory e. Difference f. Explanation of difference: 1. Program change: 2. Adjustment: 				
 15. Purpose of Information collection: (mark primary with "P" and all others that appwith "X") a. P Application for benefits b. Program evaluation c. General purpose statistics d. Audit 	16. Frequency of recordkeeping or reporting: a. X Recordkeeping b. Third party disclosure c. X Reporting: 1. On occasion 2. Weekly 3. Monthly 4. Quarterly 5. Semi-annually 6. X Annually 7. Biennually 8. Other (describe) Other (describe)				
Does this information collection employ statistical methods?	Agency contact: (person who can best answer questions regarding the content of this submission) Name: Wanda Funk Phone: (202) 475-8736				

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). appear 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
- (i) 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:
Signative of Fregram Onicia.	Buie.
X	
J. David Reeves, Deputy Assistant Secretary	
Office of Public and Indian Housing, Real Estate Assessment Center	

Signature of Senior Officer or Designee:	Date:
X	
Lillian Deitzer, Departmental Reports Management Officer,	
Office of the Chief Information Officer	
OMB-83-I	10/95

Supporting Statement for Paperwork Reduction Act Submissions

A. Justification

- 1. Procedures to assure sound management practices by public housing agencies (PHAs) are required by Section 6(c)(4) of the United States Housing Act of 1937 and Section 11 of the Consolidated Annual Contributions Contract (ACC). The ACC is between a PHA and the United States of America, acting by and through the Secretary of HUD, and requires PHAs to prepare and have approved by their Board of Commissioners an annual operating budget in a manner and using such forms as prescribed by HUD. Only "troubled" PHAs are required to submit operating budgets and salary schedules to HUD. 24 CFR Part 990 is the applicable HUD regulation. PHAs are no longer required to use HUD budget forms in a prescribed format, with the exception of the Board Resolution which is used to approve the PHA's operating budget and is a required submission by all PHAs to HUD.
- 2. Approximately 200 PHAs are required to submit their operating budgets and salaries schedules to HUD, namely those that are troubled, those that are recently out of troubled status or at risk of becoming troubled, or those that are at risk of fiscal insolvency. All PHAs are still required to prepare their operating budgets and submit them to their Board for approval prior to their operating subsidy being approved by HUD. However, in both cases, PHAs may create their own operating budget format, provided it can be readily reconciled to the Financial Data Schedule. Therefore, the following budget forms are no longer required to be submitted to HUD:
 - HUD-52267, Computation of Payment in Lieu of Taxes
 - HUD-52564, Operating Budget
 - HUD-52566, Operating Budget Schedule of All Positions and Salaries
 - HUD-52567, Operating Budget Schedule of Nonroutine Expenditures
 - HUD-52571, Operating Budget Schedule of Administrative Expenses Other Than Salary
 - HUD-52573, Operating Budget Summary of Budget Data and Justificatioms

The operating budgets must be kept on file for HUD review, if requested. The information is reviewed by HUD to determine if the plan of operation adopted by the PHA and amounts included therein are reasonable for the efficient and economical operation of the development(s), and the PHA is in compliance with HUD procedures to assure that sound management practices will be followed in the operation of the development. The PHA Board Resolution is still a required HUD form:

<u>Form HUD-52574, PHA Board Resolution, Approving Operating Budget</u>. This form is used by the Board of Commissioners to approve the operating budget for a requested budget year.

- 3. This collection of information currently does not involve the use of automated, electronic, mechanical or other technological collection techniques or other forms of information technology. HUD is not looking at automating this information because PHAs are not required to use a standard format for their budgets, but rather use what is most convenient to them as long as their budgets contain the information that is required for the submission of the Financial Data Schedule (FDS) to HUD for their unaudited and audited financial statements information. In addition, only troubled PHAs are required to submit their budgets to HUD.
- 4. REAC is not aware of any duplication of efforts to collect this data. Any data already submitted to HUD will not be requested again.
- 5. The information being collected has no significant impact on small businesses or other small entities.
- 6. HUD requests program funds annually in the Departmental Budget. Congress appropriates PHA operating funds annually. The operating subsidy funds are obligated to the PHAs annually, as reflected on the operating budget, and can only be obligated by HUD for the year in which the funds were appropriated by

Congress. Therefore, HUD has to fund operating budgets for PHAs annually and cannot collect this information less frequently.

- 7. There are no special circumstances that require the collection of information to be inconsistent with the guidelines in 5 CFR 1320.6.
- 8. HUD published a Notice of Proposed Information Collection for Public Comment on August 17, 2009, in the <u>Federal Register</u>. The public was given until October 16, 2009 to comment. HUD received no comments on this proposed collection. HUD has had numerous meetings with the industry groups, PHAs and HUD staff regarding asset management, where the need for standardized budget forms was discussed. It was the consensus that as long as the information in the budget formats used by PHAs contained the information required to submit the FDS to HUD for their unaudited and audited financial statements information, other formats could be utilized by PHAs. The cancellation of the standardized forms, with the exception of form HUD-52574, is contained in the Supplement to HUD Handbook 7475.1 REV., CHG-1, Financial Management Handbook, dated April 2007, Chapter 4.
- 9. No payments or gifts are provided to respondents.
- 10. Assurance of confidentiality is neither provided nor needed because PHA budgets are passed at public Board of Commissioner meetings.
- 11. No sensitive questions are being asked.
- 12. The estimated annual burden hours and annual costs to respondents are provided in the attached table. The hourly cost for the response is assuming a Clerk's annual salary of \$33,477 at a GS7/1 level rate (Salary Table 2009-GS) or an hourly rate of \$16.04. HUD estimates that the annual burden hours for the operating budget required for the 200 troubled PHAs averages 117.5 hours each and the form HUD-52574 required for all PHAs averages .17 hour each.

PHA Burden Hours and Cost								
	Number of Respondents	of	Estimated Hours	Total Annual Burden	x	Hourly Rate	=	Total Annual
		Responses		Hours				Cost
None	200	1	117.5	23,500		\$16.04		\$376,940
HUD-52574	3,141	1	.17	533.97		\$16.04		\$8,565
Total			117.67	24,033.97				\$385,505

- 13. There are no additional costs to the respondents.
- 14. Cost to the federal government is not determinable since the annual development of an operating budget and related forms is part of the general cost to operate PHAs.
- 15. This is a revision to a currently approved collection. The decrease in the amount of annual burden hours is attributed to the fact that only troubled PHAs are required to submit budget information to the local field office.
- 16. This information will not be published.
- 17. HUD is not seeking approval to not display the expiration date of the OMB approval. The OMB approval number and expiration date are on the form.

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

B. Collections of Information Employing Statistical Methods

N/A