

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 Public and Indian Housing Real Estate Assessment Center	2. OMB Control Number: a. 2535-0106 b. <input type="checkbox"/> None
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3. Type of information collection: (check one) a. <input type="checkbox"/> New Collection b. <input type="checkbox"/> Revision of a currently approved collection c. <input type="checkbox"/> Extension of a currently approved collection d. <input checked="" type="checkbox"/> Reinstatement, without change , of previously approved collection for which approval has expired e. <input type="checkbox"/> Reinstatement, with change , of previously approved collection for which approval has expired f. <input type="checkbox"/> 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. <input type="checkbox"/> Regular b. <input checked="" type="checkbox"/> Emergency - Approval requested by November 16, 2009 c. <input type="checkbox"/> Delegated 5. Small entities: Will this information collection have a significant economic impact on a substantial number of small entities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 6. Requested expiration date: a. <input type="checkbox"/> Three years from approval date b. <input checked="" type="checkbox"/> Other (specify) 180 Days
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7. Title:
Public Housing Assessment System (PHAS): Management Operations Certification

8. Agency form number(s): (if applicable)
 Form HUD-50072

9. Keywords:
 Housing, public housing, assessment, management capabilities, MASS, PHAS

10. Abstract:
 PHAs (or Resident Management Corporations) submit management information for evaluation of all major areas of a participant's management operations. The information is used to assess the management performance of PHAs.

11. Affected public: (mark primary with "P" and all others that apply with "X") a. Individuals or households e. Farms b. Business or other for-profit f. Federal Government c. <input checked="" type="checkbox"/> Not-for-profit institutions g. <input checked="" 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. <input checked="" type="checkbox"/> Mandatory
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13. Annual reporting and recordkeeping hour burden: a. Number of respondents 3,174 b. Total annual responses 3,174 Percentage of these responses collected electronically 100% c. Total annual hours requested 3,644 d. Current OMB inventory 0 e. Difference (+,-) +3644 f. Explanation of difference: 1. Program change: 3644 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. Current OMB inventory \$0.00 e. Difference \$0.00 f. Explanation of difference: 1. Program change: 2. Adjustment:
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15. Purpose of Information collection: (mark primary with "P" and all others that apply with "X") a. Application for benefits e. <input checked="" type="checkbox"/> Program planning or management b. <input checked="" type="checkbox"/> Program evaluation f. Research c. <input checked="" type="checkbox"/> General purpose statistics g. <input checked="" type="checkbox"/> Regulatory or compliance d. Audit	16. Frequency of recordkeeping or reporting: (check all that apply) a. <input checked="" type="checkbox"/> Recordkeeping b. <input type="checkbox"/> Third party disclosure c. <input checked="" type="checkbox"/> Reporting: 1. <input type="checkbox"/> On occasion 2. <input type="checkbox"/> Weekly 3. <input type="checkbox"/> Monthly 4. <input type="checkbox"/> Quarterly 5. <input type="checkbox"/> Semi-annually 6. <input checked="" type="checkbox"/> Annually 7. <input type="checkbox"/> Biennially 8. <input type="checkbox"/> Other (describe)
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17. Statistical methods: Does this information collection employ statistical methods? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	18. Agency contact: (person who can best answer questions regarding the content of this submission) Name: Wanda Funk Phone: 202-475-8736
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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
 - (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
J. David Reeves, Deputy Assistant Secretary, Real Estate Assessment Center

Signature of Senior Officer or Designee:

Date:

X
Lillian Deitzer, Departmental Reports Management Officer
Office of the Chief Information Officer

Supporting Statement for Paperwork Reduction Act Submissions

A. Justification

1. Section 502 of the National Affordable Housing Act of 1990, as amended by the Quality Housing and Work Responsibility Act of 1998 (QHWRA), implements section 6(j) of the United States Housing Act of 1937 (the Act). Section 6(j) establishes specific assessment indicators and directs the Secretary to develop additional indicators to assess the management performance of public housing agencies (PHAs) in all major areas of management operations. A PHA is designated as troubled if it fails to perform under the assessment indicators, or if it is unable to administer the program for assistance from the Capital Fund Program (CFP). HUD is required to enter into Memoranda of Agreement with troubled PHAs to address strategies for improving performance with respect to the failed indicators, or with respect to the program for assistance from the CFP.

All PHAs, other than those with fewer than 250 units that are not designated as troubled, are required to submit management operations data on an annual basis to HUD in accordance with the Public Housing Assessment System (PHAS) regulation, 24 CFR part 902, Subpart D. Effective with fiscal years ending September 30, 2003, and after, a PHA with fewer than 250 units that is not troubled is required to submit management operations data biennially. (The deregulation final rule for small PHAs, 24 CFR parts 902, 903 and 985 hereinafter will be referred to as the Dereg Rule.)

HUD assesses all of the management operations data required under section 6(j) of the Act in a format comprising six sections or sub-indicators. The PHAS regulation requires that all management operations data be submitted electronically to HUD, in a HUD prescribed format. After HUD receives management operations data in accordance with PHAS, HUD assesses the management operations performance of each PHA.

In accordance with Section 564(4) of the QHWRA, resident management corporations (RMCs), assuming all or in part, of the management functions of a PHA development will be assessed separately from a PHA. Separate management assessments are also extended to RMCs that manage all of the management functions of a PHA development and that are directly funded by HUD (DF-RMCs). There are currently no RMCs or DF-RMCs that manage all or part of the management functions of a PHA development. Therefore, the reporting burdens for such entities are not included in this burden report.

This is a reinstatement of a previously discontinued collection. The collection was discontinued because it was not being funded for a period of time. HUD has steady-state maintenance for the management operations subsystem, and will be utilizing the management operations certification and subsystem for PHAs with fiscal years ending June 30, 2009, through March 31, 2010.

2. HUD uses the management data it collects from program participants to evaluate all major areas of a participant's management operations. The management data are evaluated using predetermined weights and factors to compute an indicator score for the management operations of each reporting entity. HUD uses this score with three other PHAS component scores (i.e., physical condition, financial condition and resident services) to produce an overall PHAS score for each PHA. The overall score determines if a PHA's performance is high, standard, or troubled. Those PHAs with a troubled designation will receive technical assistance.
3. The electronic submission process has proven successful, and has allowed HUD to maximize the efficiency of its staff through the use of an automated management assessment system to assess an entity's management operations. Should a PHA not be able to submit data electronically due to an administrative or cost burden, HUD may approve submission via the HUD-50072 form. However, since the first cycle of PHAS, all PHAs have been submitting MASS data electronically via the Internet.

Attached is a copy of the Management Operations Certification that PHAs submit to their Boards of Directors for review and approval by Board Resolution. Upon approval, PHAs electronically submit the data to HUD. Also attached is a copy of the computer screens used by PHAs to transmit management operations data to HUD electronically. Upon completion of the screens, the PHA transmits the data to HUD via the Internet.

4. This information is not collected elsewhere and there will be no duplication of information. There is no similar information already available.
5. The only entities that may have been adversely impacted by the costs associated with HUD's electronic submission requirement are small PHAs. HUD believes that costs are minimal since the Department provides PHAs with submission software, supplemental guidance, handbooks and user guides that are available on the HUD website, training, and other technical assistance on the submission process.
6. The submission of annual management data is a long-standing statutory and regulatory requirement of entities that conduct business with HUD. Without this information, HUD's interest (as well as the interest of taxpayers) will be unprotected and HUD will not be able to identify the risks due to neglected maintenance or insolvency of a PHA. Furthermore, evaluation of submitted data may impact funds used to achieve HUD program obligations, or to detect fraud, waste and abuse.
7. Since the electronic submission process requires respondents to submit confidential data, HUD has provided each program participant with a unique user identification code, limited the information available via its assessment system to employees with approved security access to the system, and allowed submitters "read-only" capability that will allow them to view their submitted data via the Internet. The PHAS regulation provides that each PHA shall post its overall PHA score and status within two weeks of receipt of its overall score and status. The other special circumstances listed as part of the instructions are not applicable to this data collection process.
8. The Department will publish a Notice of Proposed Information Collection for Public Comment requested an expedited review. The public comment period will be fourteen days.
9. No payment or gifts are provided to respondents.
10. All data that is linked to a particular PHA is secured from public access. When a PHA submits data electronically to HUD, security prevents users outside of HUD from intercepting this data. The Department's web access security system ensures that all management data is secure. The authorities or justifications for the security system are: the Information Security HUD Handbook 2400.24; the Computer Security Act of 1987; the Clinger-Cohen Act of 1996; OMB Circular A-130 part 3; and the Government Information Security Reform Act of 2000 (GISRA). The Department's web access security system allows users to apply online for an ID and password and to reset a forgotten password. It also controls and limits access to systems for authorized users by managing the roles and responsibilities for each user of each system.

There are primary and secondary users. Primary PHA users are able to see his/her submission, and HUD authorized primary users (i.e., selected staff) have security access to update the information, with strict controls of the tasks that they may perform. Secondary HUD users are granted read-only access to the system.
11. No sensitive questions are being asked.
12. In the chart, below, the burden hour calculations are shown by the size of the PHA. The calculations assume that larger PHAs require more time to complete the template because they have to collect and input more data. This information is derived from an analysis of those PHAs with fiscal year end June 30, 2007, through March 31, 2008, that submitted management operations certifications.

Average Burden Hour Estimates for PHAs

Sub-Indicator	Unit Size 1 – 249	Unit Size 250 – 499	Unit Size 500 – 1,249	Unit Size 1,250 – 3,999	Unit Size 4,000 +
Vacant Unit Turnaround Time	0.3	0.3	0.5	0.5	0.7
Capital Fund	0.2	0.2	0.5	0.5	0.9
Work Orders	0.25	0.3	0.5	0.6	0.8
Annual Inspection of Dwelling Units and Systems	0.45	0.5	0.6	0.8	1.3
Security	0.3	0.3	0.4	0.4	0.5
Economic Self-Sufficiency*	0.0	0.0	0.0	0.0	0.0
Physical Condition and Neighborhood Environment**	0.0	0.0	0.0	0.0	0.0
Subtotals	1.5	1.6	2.5	2.8	4.2

* Less than 100 PHAs certify to economic self-sufficiency. The decrease is due to the fact that Congress is no longer funding the Public Housing Drug Elimination Program as a separate program. Because the average burden hours for each PHA is negligible, individual estimates are not provided in the table.

** PHAs are not required to submit information for physical condition and neighborhood environment. For the past four quarters, there were an average of 179 PHAs that submitted this information. Based on burden hour estimates, collection of this information added 1.5 hours to the total burden hours for PHAs. Because the average burden hours for each PHA is negligible, individual estimates are not provided in the table.

Total Burden Hour Estimates for PHAs

PHA Unit Size	Number of Respondents	X	Annual Freq. of Requirement	X	Estimated Avg. Time for Requirement (Hrs)	=	Estimated Annual Burden (Hrs)
1 – 249*	2200		0.5		1.5		1650.0
1 – 249 Troubled**	143		1		1.5		214.5
250 – 499	437		1		1.6		699.2
500 – 1,249	248		1		2.5		620
1,250 - 3,999	110		1		2.8		308
4,000 +	36		1		4.2		151.2
Physical Condition and Neighborhood Environment***	179		***		***		1.5
Totals	3174						3,644.4

* The Dereg Rule streamlines the requirements for small PHAs with fewer than 250 units. Because small PHAs only are assessed under PHAS biennially under the Dereg Rule, the frequency of the requirement is shown as .5.

** Under the Dereg Rule, PHAs with fewer than 250 units that are designated “troubled” are assessed annually. The numbers above are based on the number of small PHAs that have been designated “troubled” during the most recent four reporting quarters.

*** PHAs are not required to submit information for physical condition and/or neighborhood environment. For the past four quarters, there was an average of 179 PHAs that submitted this information. Based on burden hour estimates, collection of this information added 1.5 hours to the total burden hours for PHAs.

The estimated annual costs to respondents are provided in the table, below, and also reflect the biennial reporting for PHAs with 250 or fewer units in accordance with the Dereg final rule. The hourly cost for response is assuming a Manager’s annual salary of \$60,989 at a GS-11/1 level rate (Salary Table 2009-GS) or an hourly rate of \$23.74.

Total Estimated Annual Costs to Respondents

	Number of Respondents	Total Burden Hours	X	Hourly Rate	=	Annualized Cost
MASS Submission	3174	3644		\$23.74		\$86,508.56

- 13. No other costs are associated with the collection of this information.
- 14. The estimated annualized costs to the federal government, based on the GS-12/1 level rate are provided in the table, below. The GS-12/1 level rate is the average salary for MASS analysts and managers. The hourly cost for response is assuming a Manager’s annual salary of \$73,100 at a GS-12/1 level rate (Salary Table 2009-GS) or an hourly rate of \$28.45. It is estimated that it take the MASS analyst approximately 20 minutes to review each submission.

Total Estimated Annual Costs to the Federal Government

	Number of Respondents	Total Burden Hours	X	Hourly Rate	=	Annualized Cost
MASS Submission	3174	1058		\$28.45		\$30,100.10

- 15. This is a reinstatement of a previously discontinued collection. The collection was discontinued because it was not being funded for a period of time. HUD has steady-state maintenance for the management operations subsystem, and will be utilizing the management operations certification and subsystem for PHAs with fiscal years ending June 30, 2009, through March 31, 2010.
- 16. This information will not be published. However, the PHAS regulation provides that each PHA shall post its overall PHAS score and status within two weeks of receipt of its overall score and status. The PHAS regulation sets forth the time schedule for the annual management operations submission process. For all of the proceeding, see 24 CFR Part 902.
- 17. HUD is not seeking approval to not display the expiration date of the OMB approval. The OMB number and expiration date will be displayed on a “Disclosure Statement” that will be the first screen that is viewed on each of the automated forms after OMB approval is received.
- 18. There are no exceptions to the certification statement identified in Item 19 of the form OMB 83-I.

B. Collections of Information Employing Statistical Methods