**Supporting Statement for Paperwork Reduction Act Submissions -2525-0102**

A. Justification

1. This information collection is necessary to request payment of grant funds or designate an appropriate official. This package provides a means for Grant recipients to receive payments. The attached copy of CFT 85.21 prescribes the basic standard and methods under which a Federal agency will make payments to grantees.

2. Grant recipients provide information for the applicable HUD program with all the necessary information. They process this request for payment through a Voice Response System. Respondents submit payment requests directly to HUD. Additional information is submitted to establish access to the voice activated payment system. This information is also used as an internal control feature that’s instituted to support and safeguard Federal funds, as well as provide a service to the recipients.

3. The voice activated payment system provides a fast, reliable method for recipients to obtain Federal funding. This technology method allows the recipient to know before the end of the call whether their request will be paid, who to call if there is a problem, or if the request was not processed by the system. All requests processed by the system are paid by ACH within 48 hours.

4. Each request for funds distribution is unique. Only the identifying elements are duplicated to establish access.

5. There is no impact to small entities.

6. The collection provides for funds distribution to grant recipients. Distribution is not feasible without receipt of a request.

7. The associated burden is the minimum need to request payment of funds. The voice response system will accept request of funds from a recipient on a daily basis; however, a recipient should be using good cash management practices and request payment of HUD funds administratively close to when they have to pay their bills. The frequency a recipient request funds will depend upon the types of activities they are managing and the recipient’s needs may exceed a quarterly response.

8. A notice requesting public comments for 60 days was published in the Federal Register on March 25, 2010, Volume 75, Page 14455. No comments were received.

9. No payment or gift is provided.

10. A Privacy Act Statement is included on each information collection instrument to assure confidentiality in collecting this information. This payment system will require that the latest security features be installed to deter fraudulent payments. Only a limited number of authorized officials will have access to the system for updating purposes.

11. No sensitive questions are asked.

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

 Average Annual Usuage

Reporting Number of Number of Avg.Hrs. per Burden

Instrument Respondents Responses Response Hours

 form 27053 2,420 278,300\* 0.17 47,311

 form 27054 2,420 2,420 0.17 411

 Total 2,420 280,720 0.17 47,722

\*The estimated average annual use of HUD- 27053 is 115 times (2,420 x 115 = 278,300)

47,722hrs. x $20 p/hr. = $954,440

13. There are no capital and start-up cost associated with this collection.

14. Estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information:

 Reporting Number of Review Burden

 Instrument Responses Time

 form 27053 253,000 7.24 min. 30,529 hrs.

 form 27054 2,200 5 min. 183 hrs

 30,712 hrs. x $20 p/hr.(GS-9) = $614,240

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

16. Results will not be published.

17. No exceptions are requested.

18. No exceptions.