

Appendix C. Study Advance Letter and Frequently Asked Questions Document

Study Advance Letter

Dear [Executive Director]:

I am writing to request your cooperation in HUD's study of administrative costs in the Housing Choice Voucher (HCV) program. The goal of this study is to estimate the cost of administering a high-performing HCV program and to use that cost information to inform the development of a full national study of HCV program administrative costs and fees.

The study will proceed in two phases. The first phase is a reconnaissance phase with the goal of collecting information on HCV administration and cost drivers to inform the design of a rigorous national study of HCV administrative costs. The first phase of the study began in October 2010 and will last until March 2012. The second phase is the full cost study, which will take place in 2012.

A sample of 60 high-performing HCV programs across the country has been chosen to be included in the study. The sample has been chosen to reflect the diversity in HCV program size and geographic location nationwide, and to include a mix of HCV-only agencies as well as agencies that run both voucher and public housing programs. Your PHA has been selected to be included in the study.

The Department has contracted with the research firm Abt Associates Inc. and with subcontractors and consultants from Quadel Consulting Corporation, Phineas Consulting, and others to carry out the study. The first phase of the study will entail site visits to each of the PHAs by members of the Abt Associates team between April and June 2011.

The site visits will last approximately 3 to 4 days and will include interviews with HCV leadership and staff to discuss how your PHA administers the HCV program and the factors that affect administrative costs for your program. The site visitors will also ask to review written documents related to HCV program administration, such as the Administrative Plan, as well as HCV program staff rosters and budget documents. The site visits will also include a review of a sample of intake and participant files.

[INSERT BETA-TEST PARAGRAPH HERE FOR BETA-TEST SITES.]

The information collected through the site visits will be used to inform the full national study of HCV program administrative costs and fees, which will take place in 2012. Agencies that participate in the first phase of the study are likely to participate in the full cost study as well, although the final sample for that study has not yet been determined.

The information collected through the study will be used for this research study only and not for any other purpose. None of the information that you provide to the research team during any phase of the study will harm or count against your agency in any HUD performance assessment or funding decisions. In the unlikely event that the study uncovers an area where the program is not being operated according to the regulations, HUD will notify the agency but will not take further action unless the agency continues to operate the program in violation of the regulations.

The enclosed “HCV Program Administrative Fee Study Fact Sheet” provides more detail on what your agency’s participation in the first phase of the study entails. A staff member from the Abt Associates team will be contacting your Housing Choice Voucher Program director in the next few days to discuss the study and schedule a site visit.

We thank you for helping us. If you have any questions, please contact Meryl Finkel, the Abt Associates Principal Investigator (617-349-2380, Meryl_Finkel@abtassoc.com) or Dr. Marina Myhre from HUD’s Office of Policy Development and Research (202-402-5705, Marina.L.Myhre@HUD.gov).

Thank you in advance for your cooperation.

Additional Detail to be Inserted for Beta-Test sites:

Five of the 60 PHAs in the study sample have been selected for testing alternative methods of measuring the staff time spent on HCV program front line activities. Your agency is one of the 5 agencies selected for this purpose. This means that in addition to the site visit described above, staff from the Abt Associates team will be on site for another 5-day period. During this period, a sample of HCV program front line staff will be asked to do two of the following activities: (1) be observed as they go about their work by a trained time and motion observer, (2) complete a detailed timesheet for 5 days documenting time spent on different HCV program tasks, (3) respond to periodic text messages from a hand held device provided to them by the research team. We expect that these activities will take staff approximately 15 minutes per day to complete, plus one hour of training provided by the research team at the start of the week. In order to protect participating staff, the information collected through the timesheets, direct observation, and text messaging will not be shared with any other staff (including supervisors) at the PHA.

Frequently Asked Questions Document

Housing Choice Voucher Program Administrative Fee Study Frequently Asked Questions

What is the purpose of the study?

The purpose of the study is to provide HUD with accurate information on the time and costs required to administer high performing HCV programs in different market settings and for PHAs of different sizes and types. The information will be used to develop a new formula for determining and allocating administrative fees in the program based on the actual costs of running the program.

Who is conducting the study?

HUD has contracted with Abt Associates Inc. to conduct the study. Abt has assembled a team of site visitors and researchers with extensive knowledge of the HCV program for the study, including many staff with experience running HCV programs. Abt's partners for the study include Quadel Consulting Corporation, Phineas Consulting, Research Systems Group Inc., JRD & Associates, and a team of independent consultants. The Abt Associates Principal Investigator is Meryl Finkel (Meryl.Finkel@abtassoc.com) and the Project Manager is Jennifer Turnham (Jennifer.Turnham@abtassoc.com). Dr. Marina Myhre of HUD's Office of Policy Development and Research is overseeing the study, with support and assistance from many staff at HUD's Office of Public and Indian Housing.

What is the timeframe for the study?

The study will proceed in two phases. The first phase—the reconnaissance phase—began in October 2010 and will continue through early 2012. The goal of this phase is to design a rigorous national study of the costs of administering the HCV program. The full national study is the second phase of the study and will begin in early 2012. Most PHAs that participate in the reconnaissance phase will also participate in the full national study.

Who was involved in developing the study?

In designing the reconnaissance phase of the study, HUD and the Abt Associates team consulted extensively with HCV Directors across the country, representatives from PHADA, CLPHA, NAHRO, and NLHA, and other researchers and housing experts. This industry and expert input has played a critical role in shaping the study thus far and will continue to do so in the future.

How were PHAs chosen for the study?

The 60 PHAs selected for the reconnaissance phase of the study were selected randomly by HCV program size from among all PHAs designated high performers in SEMAP in 2007, 2008, and 2009 (or two years for small PHAs not assessed each year) and a small number of PHAs nominated as high performers by HUD Field and Regional Offices.

What is involved for PHAs that choose to participate?

Members of the Abt Associates team will be conducting site visits to all 60 PHAs during April, May, and June 2011. The visits will last 3 to 4 days and will involve interviews with PHA staff that work on the HCV program (mainly the HCV Program Director but also other staff as needed) as well as

finance staff, and review of a sample approximately 25 client files. The research team will ask PHAs to provide written documentation, such as the Administrative Plan, for their review prior to the site visit, as well as organizational charts and budget documents. PHAs will be provided a copy of the interview questions, documents requested, and file review procedures at the time of scheduling the site visit.

Five of the 60 PHAs have been randomly selected for testing alternative methods of collecting data on the time spent by HCV program staff on front line activities. (PHAs selected for this activity will have been notified in the introductory letter from HUD.) At these 5 PHAs, the research team will spend an additional 5 days on site and selected HCV program staff will be asked to provide information on the time they spend on different program-related activities via timesheets, hand held devices, or by being observed by a time and motion expert. At the time of scheduling the visits, the research team will talk through the details of the time measurement. The results of the time measurement will only be used to determine the most cost effective method of measuring staff time for the full national study. The research team will not share any of the data collected with other PHA staff such as supervisors.

How will the information PHAs provide to the study be protected?

The information collected through the study will be used for research purposes only. Any findings published from the study will be presented in aggregate form only, not at the individual PHA level. HUD will not use any of the information collected through the study to the detriment of individual PHAs. The information will not affect HUD performance assessments or funding decisions for PHAs in the study. If the research team uncovers an area where the program is not being operated according to the regulations, they will report that information to HUD. HUD will notify the PHA but will not take further action unless the agency continues to operate the program in violation of the regulations.

What are the next steps?

Staff from the Abt Associates team will contact the Executive Director and/or HCV Director to discuss the study further and provide more information as needed on what will be required from participating PHAs. PHAs that agree to participate will be asked to designate a PHA contact for the study. The Abt team will then work with the PHA contact to set up the site visit, including sharing the interview questions and identifying who should be interviewed, determining which documents can be provided in advance, and developing a process for conducting the file review.