

# Supporting Statement for Paperwork Reduction Act Submissions

## Justification

### 1. Why is the information necessary?

This information collection is being conducted by CPD Office of Block Grant Assistance to assist the Administrator of HUD in determining, as required by Section 104 (e) of the (HCDA) of 1974, and outlined in Subpart I (for States) and Subpart J (for entitlements) of the CDBG regulation, whether Grantees, (Entitlement communities, States and units of general local governments) have carried out eligible activities and its certifications in accordance with the statutory and regulatory requirements governing State CDBG, CDBG-R, Disaster Recovery, NSP1, NSP2 and NSP 3 grants prior to closing the grant allocation.

The submission of the HUD 7082 – *Funding Approval Form* is necessary because the Grant Agreement between the Department of Housing and Urban Development (HUD) and the Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). HUD will make the funding assistance as specified to the grantee upon execution of the Agreement. We request the paperwork approval because the funding approval form is a vehicle for standardizing the agreements between HUD and each of its grantees.

### 2. What information is to be collected?

Section 104(e)(1) of the Act requires HUD to make reviews and audits as necessary or appropriate to determine if applicable administrative and program requirements have been completed by the grantee before a grant may be closed. The HUD field office will prepare and send a closeout package that include a transmittal letter, grant closeout agreement, grantee closeout certification and a closeout checklist to the grantee via email or standard mail, and is a vehicle for standardizing the agreements between HUD and each of its grantees.

**Transmittal letter-** HUD will prepare a closeout notification to inform the grantee regarding grant closeout.

**Grant closeout agreement-** HUD will prepare a Grant Closeout Agreement for the grantee's signature, acknowledging the completion of the grant, certifying that all requirements have been met, and setting forth any other provisions as may be determined by the parties to the grant agreement

**Grantee closeout certification** – The grantee certifies that the approved grant was performed in accordance with the terms and conditions of the executed grant agreement.

**Closeout checklist-** The Grantee uses this closeout checklist to certify that all requirements of the grant have been completed.

The grantee is given 15 days to return the completed documentation back to the field office to officially closeout the grant. The information in the closeout package will assist the Department in determining whether all requirements of the contract between the Department and the Grantee have been completed.

*HUD 7082 – Funding Approval Form:*

Prior to a Grantee receiving HUD Community Development Block Grant funds the HUD 7082 Funding Approval form must be reviewed, completed and submitted to the Department.

**3. Is the information submitted electronically? If not, why?**

A PDF copy of the HUD 7082 Funding Approval form and the closeout package can be submitted to the HUD field office electronically (via email) as long as the grant closeout agreement, the certification, review checklist have the official's authorized signature.

**4. Is this information collected elsewhere? Review current information collection packages for potential consolidation.**

No, this is a new collection.

**5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

There will be no impact on small businesses or other small entities. HUD makes grants to entitlements, States and non-entitlement counties in Hawaii. CDBG grantees make the necessary reviews and audits to state recipients, non-entitlement counties in Hawaii and entitlements to ensure that statutory and regulatory requirements governing the CDBG grants have been satisfied prior to closing a CDBG grant. Local governments are required to provide the State with the information the State needs to document that each proposed activity is eligible and meets a national objective and the State report information to HUD on the use of CDBG funds in the Integrated Disbursement and Information System (IDIS). Non-entitlements and nonprofits that are direct recipients of NSP 2 funds are responsible in implementing their NSP programs according to the requirements of the program. If they are in need of technical assistance (TA) a grantee can request TA provider assistance from the HUD field office or make a request online at the NSP Resource Exchange.

To minimize the collection burden on the grantee the HUD field office will prepare the *HUD 7082 – Funding Approval Form* and the grantee will review, sign and return the form to the HUD field office.

**6. Describe the consequence to Federal program or policy activities, if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

If no records are collected the program performance/regulatory compliance will not be determined. The information being collected is the minimum necessary to assist the Department achieve an efficient and standardized method to closeout CDBG grants and execute signed contracts in accordance to the provisions of the Grant Agreement.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner.**

There are no special circumstances that would cause this information collection to be conducted in a manner that would impose one or more of the additional requirements identified under this item.

**8. Date and page number of the Federal Register notice (provide a copy) soliciting comments and public input. Summarize any public comments and describe response to comments. Describe all efforts to consult with persons outside the agency to obtain their input.**

HUD published a notice describing the Paperwork Reduction Act Submission in the Federal Register on June 14, 2011 Vol. 76 and page 34741 for 60 days. No comments received

**9. Explain any decision to provide any payment or gift to respondents, other than reenumeration of contractors or grantees.**

Not applicable. No payment or gifts are provided to any respondents for any information.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

24 CFR 570.508 of the CDBG regulations states that grantees shall provide citizens with reasonable access to records regarding the past use of CDBG funds, consistent with applicable State and local laws regarding privacy and obligations of confidentiality.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.**

The new information collection request does not include any sensitive questions.

**12. Provide estimates of the hour burden of the collection of information. Provide estimates of the hour burden of the collection of information**

**Grant Closeout**

Grant Program Closeout Task	Number of Respondents	Annual Frequency per Response	Burden Hours per Response	Total Burden Hours
<b>State</b>				
CDBG States	50	1	3	150
CDBG-R	50	.33	3	49.5
<sup>1</sup> Disaster	10	1	3	30

<sup>2</sup> NSP	51	1	3	153
<b>States Total</b>	<b>161</b>	<b>3.33</b>	<b>12</b>	<b>382.5 hours</b>
<b>Nonentitlement Counties in Hawaii</b>				
CDBG-R	3	.33	3	2.97
<b>Counties in Hawaii Total</b>	<b>3</b>	<b>.33</b>	<b>3</b>	<b>2.97 hours</b>
<b>Entitlement Jurisdictions</b>				
<sup>2</sup> NSP	288	1	3	864
CDBG-R	1110	.33	3	1098.9
<b>Entitlement Total</b>	<b>1398</b>	<b>1.33</b>	<b>6</b>	<b>1962.9 hours</b>
<b>Nonentitlement Direct Grantees</b>				
NSP 3	31	.25	3	23.25
<b>Nonentitlement Total</b>	<b>31</b>	<b>.25</b>	<b>3</b>	<b>23.25 hours</b>
<b>Non-Profit and Quasi-public Direct Grantees Responsibilities</b>				
NSP 2	20	.33	3	19.8
<b>Non-Profits and Quasi-public Total</b>	<b>20</b>	<b>.33</b>	<b>3</b>	<b>19.8 hours</b>
<b>Insular Areas</b>				
NSP 1	4	.33	3	3.96
CDBG-R	4	.33	3	3.96
<b>Insular Area Total</b>	<b>8</b>	<b>.66</b>	<b>6</b>	<b>7.92 hours</b>
<b>Grant Closeout Total</b>	<b>1,621</b>	<b>6.23</b>	<b>33</b>	<b>2399.34 hours</b>

<sup>1</sup>Disaster recovery funds are contingent upon if the President declared a major disaster and Congress provided a supplemental appropriation.

<sup>2</sup>NSP includes 1, 2, & 3 unless otherwise specified.

### Funding Approval/Agreement 7082 Form

Funding Approval/Agreement Form for Grant Programs	Number of Respondents	Annual Frequency per Response	Burden Hours per Response	Total Burden Hours
<b>State</b>				
CDBG State	50	1	.25	12.5
<sup>1</sup> Disaster	10	1	.25	2.5
NSP-3	51	1	.25	12.75
<b>State Total</b>	<b>111</b>	<b>3</b>	<b>.75</b>	<b>27.75 hours</b>

Nonentitlement Counties in Hawaii				
CDBG	3	1	.25	.75
<b>Counties in Hawaii Total</b>	<b>3</b>	<b>1</b>	<b>.25</b>	<b>.75 hours</b>
Entitlement Jurisdictions				
CDBG	1,110	1	.25	277.5
NSP-3	197	1	.25	49.25
<b>Entitlement Total</b>	<b>1307</b>	<b>2</b>	<b>.50</b>	<b>326.75 hours</b>
Nonentitlement Direct Grantees				
NSP3	31	1	.25	7.75
<b>Nonentitlement Direct Grantees Total</b>	<b>31</b>	<b>1</b>	<b>.25</b>	<b>7.75 hours</b>
Insular Areas				
CDBG	4	1	.25	1.0
<b>Insular Area Total</b>	<b>4</b>	<b>1</b>	<b>.25</b>	<b>1.0 hours</b>
<b>Funding Approval Total</b>	<b>1,456</b>	<b>8</b>	<b>2.0</b>	<b>364 hours</b>

<sup>1</sup>Disaster recovery funds are contingent upon if the President declared a major disaster and Congress provided a supplemental appropriation.

**13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information.**

No other costs than stated in #12 above.

**14. Provide estimates of annualized costs to the Federal government. Provide estimates of annualized costs to the federal government**

1,621 (respondents) x 3 (hours) x \$28.88\*\* (per hour) = \$140,443.44 is the estimate of annualized cost to the Federal government to complete the closeout task. \*\*GS 12, step 1 (2010 OMB tables)

1,456 (respondents) x 1 (hours) x \$28.88\*\* (per hour) = \$42,049.28 is the estimate of annualized cost to the Federal government to complete the HUD 7082 – Funding Approval form. \*\*GS 12, step 1 (2010 OMB tables)

**15. Explain the reasons for any program changes or adjustments reported in items 13 and 14 of the OMB 83-I.**

There are no program changes or adjustments being reported.

**16. For collections of information whose results will be published, outlined plans for tabulation and publication.**

The new information collected is not for statistical use nor does the collection uses statistical methods.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

HUD is not seeking approval to not display the expiration date for OMB approval of the information collection.

**18. Explain each exception to the certification statement identified in item 19.**

There are no exceptions to the signed certification.