

# Appendix G. Advance Letter for Small Program Interviews

Dear [Executive Director]:

We are writing to request your cooperation in HUD's Housing Choice Voucher (HCV) Program Administrative Fee Study. The goal of this study is to estimate the cost of administering a high-performing HCV program and to use that cost information to develop an administrative fee formula for all PHAs in the HCV program. Creating an objective basis for funding administrative costs is an important step in ensuring adequate appropriations.

This study is a multi-year study with several important components. The main component of the study is a time measurement study that seeks to estimate the time it takes to conduct the activities required to administer the voucher program and translate those time estimates into costs. Up to 60 high-performing PHAs will participate in the time measurement study, which will begin in fall 2012 and will involve two months of on-site data collection at each PHA.

A second component of the study is telephone interviews with up to 130 high-performing PHAs that operate small voucher programs. The main purpose of the survey is to collect detailed information on voucher program costs and to understand how smaller agencies administer the HCV program effectively without the benefit of economies of scale that apply to larger programs. The survey will also collect information on how small programs have been affected by the recent reductions in HCV program administrative fees.

Your PHA is one of the 130 agencies across the country selected to participate in the telephone interviews. Your PHA has been selected because it operates a small HCV program and has shown a consistent pattern of SEMAP high-performance over the past few years.

The study team will be conducting the telephone interviews between November 2012 and May 2013. We anticipate that the interview will take about 2 hours to complete. We expect that PHAs will also likely spend 4 to 6 hours preparing for the call and assembling cost information.

Prior to conducting the survey, we will ask your PHA to provide to the study team in advance information on:

- HCV program voucher counts, utilization, and select data on program operations.
- Salary, benefits, and staff titles of each person who works on the voucher program.
- Percent of time that each staff person works on the voucher program.
- Salary, benefits, and staff titles of each person who provides overhead support.
- Detailed revenue and cost information (e.g., trial balance) for the HCV program and agency as a whole for the most recently completed fiscal year.

The materials received in advance will serve as a starting place for many of the questions on the survey. The survey will cover the following topics:

- Staff and contractor costs.
- Sources of funding for HCV administration.
- HCV administrative costs shared with other PHA programs or other entities outside the PHA.
- Local factors or practices that make it feasible to run a small HCV program.
- Cost advantages and disadvantages of operating a small HCV program.
- Impact of current and possible future reductions to the HCV program administrative fees on program operations, compliance, and service to landlords and tenants.

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.

HUD has contracted with the research firm Abt Associates Inc. and with subcontractor Phineas Consulting to carry out the telephone survey for this part of the study. A staff member from the Abt Associates study team will be contacting your HCV director within a few days to discuss the study further.

We thank you very much for your consideration to participate in this critical study. If you have any questions and would like to speak to PIH staff, please contact Mike Dennis (202-402-6437, [Michael.S.Dennis@hud.gov](mailto:Michael.S.Dennis@hud.gov)). If you have any additional questions about the study, please contact Dr. Meryl Finkel, the Abt Associates Principal Investigator (617-349-2380, [Meryl\\_Finkel@abtassoc.com](mailto: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](mailto:Marina.L.Myhre@hud.gov)).

Sincerely,

Dr. Raphael W. Bostic  
Assistant Secretary for Policy Development  
and Research

Sandra B. Henriquez  
Assistant Secretary for Public and Indian  
Housing

# Script for Telephone Follow-Up

Hello, this is \_\_\_\_\_ calling from Abt Associates Inc. As you may recall, we are under contract to the Department of Housing and Urban Development to carry out the HCV Program Administrative Fee Study. You should have received a letter from HUD describing the study a few days ago. Do you recall receiving that letter?

[IF PHA RECEIVED THE LETTER]: Good. Why don't I start by asking if you have any questions after reading the letter? [ANSWER QUESTIONS THAT COME UP.]

[IF PHA DID NOT RECEIVE THE LETTER]: No problem, it should be coming soon and I can also forward you a copy by e-mail.

This study is a multi-year study with several important components. One part of the study is telephone interviews with high-performing PHAs that operate small voucher programs. The main purpose of the survey is to collect detailed information on voucher program costs and to understand how smaller agencies administer the HCV program effectively.

Your PHA is one of the 130 small programs across the country selected to participate. Your PHA has been selected because it has been a SEMAP high performer over the past few years.

We will be conducting the interviews between November 2012 and May 2013, so we have time to schedule this at a time that is convenient to you.

The interview will take about 2 hours to complete. We expect that PHAs will also likely spend 4 to 6 hours preparing for the call and assembling cost information. The letter provides a list of cost information that we'd like you to prepare in advance; the telephone interview will then mainly consist of working through that information with you to make sure we understand it.

The information collected through the study will be used for this research study only and 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.

Do you have any questions? [ANSWER ANY QUESTIONS]

Would your agency be willing to participate in the study?

[IF AGENCY SAYS NO:] Would you like me to provide more information on what will be required so you can think about it further?

[IF AGENCY SAYS NOT SURE:] I will send you some more information on what will be required of your agency. Then we can schedule a time to talk again.

[IF AGENCY SAYS YES:] Great, the next step is to send you the information and start to schedule the interview. Are you the right person to be the main source of contact for the study, or would you like to designate someone else? [IDENTIFY MAIN SOURCE OF CONTACT AND NEXT STEPS, E.G., TIME TO CALL BACK TO DISCUSS FURTHER.]

Thank you very much. We look forward to working with you.