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

2. OMB Control Number:
a. 2577-0029
b. None

3. Type of information collection: (check one)
a. ☐ New Collection
b. ☐ Revision of a currently approved collection
c. ☒ Extension of a currently approved collection
d. ☐ Reinstatement, **without change**, of previously approved collection for which approval has expired
e. ☐ Reinstatement, **with change**, of previously approved collection for which approval has expired
f. ☐ 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. **X** Regular
b. ☐ Emergency - Approval requested by
c. ☐ Delegated

5. Small entities: Will this information collection have a significant economic impact on a substantial number of small entities?
☐ Yes **X** No

6. Requested expiration date:
a. **X** Three years from approval date b. ☐ Other (specify)

7. Title:
Allocation of Operating Subsidies under the Operating Fund Formula: Data Collection

8. Agency form number(s): (if applicable)

(1) HUD-52722, (2) HUD-52723

9. Keywords:
Housing, public housing, operating subsidy, utilities

10. Abstract: Public Housing Agencies (PHAs) use this information in budget submissions which are reviewed and approved by HUD field offices as the basis for obligating operating subsidies. This information is necessary to calculate the eligibility for operating subsidies under the Operating Fund Program regulation. The Operating Fund Program is designed to provide the amount of operating subsidy that would be needed for well-managed PHAs. PHAs will submit the information electronically with the forms.

11. Affected public: (mark primary with "P" and all others that apply with "X")
a. Individuals or households
b. Business or other for-profit
c. Not-for-profit institutions
e. Farms
f. Federal Government
g. **P** State, Local or Tribal Government

12. Obligation to respond: (mark primary with "P" and all others that apply with "X")
a. Voluntary
b. **P** Required to obtain or retain benefits
c. Mandatory

13. Annual reporting and recordkeeping hour burden:

a. Number of respondents	6,997
b. Total annual responses	14,003
Percentage of these responses collected via template	99.9%
c. Total annual hours requested	10,502
d. Current OMB inventory	10,439
e. Difference (+,-)	+63
f. Explanation of difference:	
1. Program change:	additional projects
2. Adjustment:	0

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
b. Total annual costs (O&M)
c. Total annualized cost requested
d. Current OMB inventory
e. Difference
f. Explanation of difference:
1. Program change:
2. Adjustment:

15. Purpose of Information collection: (mark primary with "P" and all others that apply with "X")
a. **P** Application for benefits
b. Program evaluation
c. General purpose statistics
d. Audit
e. Program planning or management
f. Research
g. **X** Regulatory or compliance

16. Frequency of recordkeeping or reporting: (check all that apply)
a. **X** Recordkeeping b. ☐ Third party disclosure
c. **X** Reporting:
1. ☐ On occasion 2. ☐ Weekly 3. ☐ Monthly
4. ☐ Quarterly 5. ☐ Semi-annually 6. **X** Annually
7. ☐ Biennually 8. ☐ Other (describe)

17. Statistical methods:
Does this information collection employ statistical methods?
☐ Yes **X** No

18. Agency contact: (person who can best answer questions regarding the content of this submission)
Name: Essence Moody
Phone: 202-475-8946

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: X Donald J. La Voy, Deputy Assistant Secretary Office of Public and Indian Housing, Real Estate Assessment Center	Date:

Signature of Senior Officer or Designee: X Collette Pollard, Departmental Reports Management Officer, Office of the Chief Information Officer	Date:

Supporting Statement for Paperwork Reduction Act Submissions

A. Justification

1. This is an extension of a currently approved information collection, the Allocation of Operating Subsidies under the Operating Fund Formula: Data Collection. The two forms listed in this collection are electronic templates that Public Housing Agencies (PHAs) will send to HUD. PHAs will submit forms HUD-52723, Operating Fund Calculation of Operating Subsidy and HUD-52722, Calculation of Allowable Utilities Expense Level through an electronic template.

Section 9 (42 USC 1437g) of the United States Housing Act of 1937 (the Act) established the operating fund for purposes of making assistance available to PHAs for the operation and management of public housing (see **Exhibit A**). The Operating Fund Program then provides operating subsidies of roughly $4.3 billion annually to approximately 3,100 PHAs to fund their operating and maintenance expenses associated with 1.2 million public housing units. The 1937 Act limits eligibility for public housing to low-income families and caps the public housing rents at 30 percent of a family's income. Accordingly, PHAs rely on the HUD operating subsidies, as well as rental income, to cover a significant amount of the costs associated with operating their public housing units.

The funding formula in the Operating Fund Program rule, 24 CFR part 990 (See **Exhibit B**), provides for funding directly to each of the approximately 6,997 asset management properties (or projects) and in accordance with the rule HUD allocates the funding directly to the approximately 6,997 asset management properties (or projects).

2. HUD is requesting Paperwork Reduction Act approval to collect from each PHA, by project, information to calculation and fund the PHA's share of the operating fund appropriation amount.

The table below describes the two forms covered by this collection:

Allocation of Operating Subsidies under the Operating Fund Formula: Data Collection OMB Control Number: 2577-0029			
No.	**Form No.**	**Form Name**	**Form Description**
1	HUD-52722	Calculation of Utilities Expense Level	This form captures the utilities consumption levels by type of utility. The current utility rate is applied to the average consumption amounts over a four-year period to determine the PHA's/project's utilities expense level.
2	HUD-52723	Operating Fund Calculation of Operating Subsidy	This form determines a PHA's/project's eligibility for operating subsidy, based on its non-utilities and utilities expense levels and rental income, and it is the document by which HUD obligates operating subsidies to PHAs.

3. The collection of information for HUD-52723 and HUD-52722 is done using form templates to allow PHAs to submit formula elements electronically.

4. Currently, HUD's Public Housing Information Center (PIC) system, and specifically the Building and Unit module, captures some of the data elements used in the operating fund formula calculation for each project (e.g., number of PHA units). And, the templates on the required HUD forms are pre-populated with this information. However, the majority of elements that comprise the operating fund formula are not captured elsewhere; therefore, the submission of data contained in these forms is not duplicated elsewhere.

5. The information being collected has no significant impact on small businesses or other small entities.

6. PHAs use the operating fund forms annually to request operating subsidy and these funds are obligated to PHAs annually. Without the information provided in these forms, HUD would not be able to distribute the operating fund appropriations it receives each fiscal year.

7. There are no special circumstances that require the collection to be conducted in a manner that is inconsistent with the guidelines in 5 CFR 1320.6.

8. HUD published a Notice of Proposed Information Collection for Public Comments in the Federal Register, Volume 79; No. 25; Page 7222, on February 6, 2014. The public was given until April 7, 2014, to submit comments on the proposed information collection. No comments were received.

9. No payments or gifts to respondents are provided.

10. No assurance of confidentiality is needed nor are any provided.

11. No sensitive questions are being asked.

12. The estimated burden hours for the collection of this data reflect the PHAs' experience with inputting data into the form and the fact that PHAs maintain some of this information as part of their operations. HUD estimates that the annual information collection requirements for this collection for two forms (forms HUD-52722 and HUD-52723) averages .75 hours per form (45 minutes per form) for each of the approximately 6,997 affected projects, for a total of 10,495.50 burden hours. The estimated response time includes the time for preparation of the forms and any recordkeeping burden.

Total Estimated Annual Burden Hours				
HUD Form Number	**Number of Respondents**	**Frequency of Response**	**Estimated Hours**	**Total Annual Burden Hours**
HUD-52722	6,997	1	.75	5,247.75
HUD-52723	6,997	1	.75	5,247.75
Total				10,495.50

The estimated annualized cost to respondents is based on the 2014 general pay schedule for a GS-11, Step 1, rate (an average salary for a financial analyst) that is $30.23 per hour.

Total Estimated Annual Costs to Respondents						
HUD Form Number	**Number of Respondents**	**Total Burden Hours**	**X**	**Hourly Rate**	**=**	**Annualized Cost**
HUD-52722	6,997	5,247.75		$30.23		$158,639
HUD-52723	6,997	5.247.75		$30.23		$158,639
Total						$317,278

13. There will be no additional costs to the respondents.

14. The estimated annualized cost to the federal government is based on the 2014 general pay schedule for a GS-11, Step 1, rate (an average salary for a financial analyst) that is $30.23 per hour. It is estimated that it takes approximately 1 hour to review the submission package from each PHA.

Total Estimated Annual Costs to the Federal Government					
No. of Respondents	**Burden Hours**	**X**	**Hr. Rate**	**=**	**Annual Cost**
13,994	13,994		$30.23		$423,038
9	9		$30.23		$272
Total					$423,310

15. There are no program changes or adjustments.

16. The information collection will not be published.

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" on each template after OMB approval is received.

18. There are no exceptions to item 19 of the OMB 83-I.

B. Collections of Information Employing Statistical Methods

There are no collections of information employing statistical methods.