

Supporting Statement

U.S. Department of Housing and Urban Development Office of Policy Development & Research

HUD Research, Evaluation, and Demonstration Cooperative Agreements

A. Justification

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and of each regulation mandating or authorizing the collection of information.**

HUD's Office of Policy Development and Research (PD&R) intends to establish cooperative agreements with qualified for-profit and nonprofit research organizations and universities to conduct research, demonstrations, and data analysis. HUD will issue a Notice of Funding Availability (NOFA) describing the cooperative research program and the criteria for applying for awards.

HUD's Office of Policy Development and Research is authorized to conduct housing and community development research through its authorizing legislation. The statutory authority for PD&R's research activities is found in Title V of the 1970 Housing Act, which authorizes programs of "research, studies, testing, and demonstrations relating to the missions and programs of the Department." This authority is codified in the U.S. Code at 12 U.S.C. 1701z, z1-11.

The HUD Research, Evaluation, and Demonstration cooperative agreement program (HUDRD) will be established through a NOFA and will support achievement of goals and the use of strategies that were established in the *HUD's Research Roadmap*. The *Roadmap* involved broad stakeholder engagement, and HUDRD will sustain and extend this collaboration to address mutual research objectives.

Successful applicants will carry out HUDRD research activities with PD&R's engagement. These activities will be of three main types: research and evaluation, program demonstrations, and data analysis and metrics. HUDRD will be used as HUD's primary tool to undertake comprehensive evaluations and demonstration to evaluate program performance and support carefully designed experiments and quasi-experimental studies to measure the impact of current and potential programs and policies.

- 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

Applicants for cooperative agreements will respond to the Notice of Funding Availability published in the Federal Register in order to receive an award. They must, prior to award, complete the following submissions:

- Application for Federal Assistance (Form SF-424)
- Detailed Budget (Form HUD-424-CB)
- Disclosure of Lobbying Activities, if required (Standard Form LLL)
- Disclosure/Update Report (Form HUD-2880)
- Acknowledgment of Application Receipt (Form HUD-2993)
- Client Comments and Suggestions (Form HUD-2994)
- Narrative, which must include: applicant and organizational qualifications and capacity; and for the selected scenarios the question to be answered, the research design, and the work plan
- Resumes of researchers
- Indirect cost rate agreement, if available.

The information listed above submitted by the applicants will be evaluated as part of the selection process for award.

Following award, cooperative agreement recipients will complete quarterly progress reports that address specific progress milestones as described in their application. Because the structure and content is unique to the cooperative agreement, these reports will not use an existing standard form.

- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology. Also describe any consideration of using information technology to reduce burden.**

Applicants to the program will use the Grants.gov website to submit forms and related documents to apply for cooperative agreement awards.

Following awards, any recipients will transmit progress reports electronically, via email and through existing grants management systems.

- 4. Describe efforts to identify duplication. Show specifically why similar information already available cannot be used or modified for use for the purposes described in Item 2. above.**

NOFA applications will be on a one-time basis. The NOFA will limit the number and type of applications that can be submitted by any prospective applicants.

Following award, information to be collected will be used to track progress and manage cooperative agreements. As such, this information is not available elsewhere and no duplication will occur.

- 5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.**

Applicants will include: public or private nonprofit organizations or intermediaries, including institutions of higher education and area-wide planning organizations; for profit organizations; States, units of general local government, or Indian tribes; and public housing authorities. Although some of these organizations would be considered small businesses or entities, the proposal process was developed to minimize the impact on all proposers.

Following award, the costs of finalizing the cooperative agreement and reporting (included in another information collection application) are considered to be reimbursable expenses.

6. Describe the consequences 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.

Collection is necessary to solicit applications under the NOFA. Following award, reporting of information is necessary to safeguard the effective expenditure of taxpayer funds and to ensure effective performance of cooperative agreements.

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

Applications will be processed through Grants.gov which provides for alternative methods of information collection.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, as required by 5 CFR 1320.8(3), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and actions by the agency.

The 60 day notice was published in the Federal Register on December 30, 2103. Please note that this 30-Day Notice combines two separate 60-Day Notices that were published on the same date (FR-5689-N-13 and FR-5689-N-14). One comment was received on FR-5689-N-13. The comment disputed the need for any research, evaluations or demonstrations in the area of affordable housing or economic development.

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

There will be no payment or gift to applicants for the cooperative agreements.

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

All HUD staff members assigned to evaluate applications are subject to Section 103 of the HUD Reform Act. That section, entitled "Prohibitions Against Advance Disclosures

of Funding Decisions” imposes civil and other sanctions on employees found to have improperly disclosed covered information. Applicants and grantees may identify specific sections of their applications that they claim to be protected as confidential or proprietary. Certain aspects of a recipient’s reports may not be released if they are determined to possess confidential or proprietary information. Applications not otherwise protected may be released under the Freedom of Information Act.

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.

No questions of a sensitive nature are asked during either the application or post-award process.

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

The total hour burden in the first year is estimated at 1,557 hours (1,197 for all applicants plus 360 for actual awardees’ first year reporting requirements). In subsequent years, this decreases to 360 hours per year for the recipients’ ongoing reporting burden.

For the application part of the NOFA process, the total number of burden hours is estimated to be 1,197 hours annually for the application process. The written proposal is estimated to require 66.5 hours to prepare. HUD expects to receive 18 proposals. For the proposal, each applicant is estimated to spend 6.5 labor hours completing the application forms (described above) and 60 labor hours preparing a narrative describing the project. Estimates of labor burden for completing the required forms were developed on the basis of the published burdens of the forms. For the non-Form portion of the proposal, the costs include development of a detailed budget (using the HUD 424 CBW) and preparation of a comprehensive project proposal. The project proposal is expected to be approximately 20–25 pages in length and is estimated to require 60 labor hours per applicant.

Approximately 10 cooperative agreements are expected to be awarded. The reporting requirement for the cooperative agreements would include a short quarterly narrative report, recordkeeping and annual FFATA Sub-award Reporting System (FSRS), Central Contractor Registration (CCR) and Federal Awardee Performance and Integrity Information System (FAPIIS) reporting. Total annual burden hours are estimated at 360 hours, or 36 hours annually for each of 10 awardees. The 36 annual burden hours per awardee are based on 4 quarterly reports at 4 hours per response, other required reporting totaling 4 hours, and recordkeeping at 16 hours.

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information.

Total first year cost burden is estimated at \$68,385. This is the cost for approximately 18 organizations to draft applications. Costs for award recipients (estimated at \$20,567) are

not included in this total, as these costs will be reimbursable under the cooperative agreements.

Applicants for the NOFA will incur one-time costs to draft their applications and fill out the forms to be submitted to Grants.gov. The total costs associated with the labor burden (18 applicants with a total of 1,197 hours) of the application process discussed above are \$68,385, based on an estimated labor rate of \$57.13 (2013 DC area GS14 Step 5 equivalent).

For those organizations that receive awards, the total annual costs for all recipients (based on total of 360 hours) are estimated at \$20,567, based on an estimated labor rate of \$57.13 (2013 DC area GS14 Step 5 equivalent). These costs will be considered reimbursable as allowable expenses under the cooperative agreements.

14. Provide estimates of annualized cost to the Federal government.

Approximately 18 applications are expected to be received for the NOFA. Each application will be reviewed by three people (average grade GS14 step 1, at \$50.41 per hour in the Washington area). Each full proposal requires the individual reviewers approximately 8 labor hours to process and review. The cost to the Federal government is:

$$\begin{aligned} 18 \text{ full proposals} * 8 \text{ hours/application} * 3 \text{ readers} &= 432 \text{ labor hours} \\ 432 \text{ labor hours} * \$50.41 \text{ per hour} &= \$21,777 \end{aligned}$$

The total hours expended by Federal government employees are therefore 560 hours, and the total cost is estimated to be \$23,699. This portion of the total costs will only be incurred on in the fiscal year that the NOFA is issued.

For ongoing monitoring and management of cooperative agreements, approximately 10 awards are expected. Quarterly reports will be reviewed by the HUD technical monitor (average grade GS14 step 1, at \$50.41 per hour in the Washington area). Each report is expected to require 4 labor hours to process and review. The cost to the Federal government is:

$$\begin{aligned} 10 \text{ agreements} * 4 \text{ hours/report} * 4 \text{ reports/year} &= 160 \text{ labor hours/year} \\ 160 \text{ labor hours/year} * \$50.41 \text{ per hour} &= \$8,066/\text{year} \end{aligned}$$

The total hours expended by Federal government employees are estimated to be 160 hours, and the total cost is estimated to be \$8,066. These will be ongoing annual costs for the duration of the cooperative agreements. It should be noted that similar costs are already incurred by the government through the management of similar research efforts issued through the federal contracting process. The cooperative agreement NOFA process is being implemented largely to substitute for the more cumbersome contracting process.

15. Explain the reasons for any program changes or adjustments reported in Items 13 and 14 on the OMB Form 83-I.

N/A. This is a new collection requirement.

16. For collections of information whose results will be published, outline plans for tabulation and publications.

The actual awards will be made public, as required by the HUD Reform Act.

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.

N/A.

18. Explain each exception to the certification statement identified in Item 19 of OMB Form 83-I, Certification for Paperwork Reduction Act Submission.

N/A.

B. Collections of Information Employing Statistical Methods

N/A.