

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 NSP3 grants prior to closing the grant allocation. This is a revision of a previously approved document and the changes are based on user suggestions and lessons learned from the nearly 1,000 CDBG-R grants using the earlier version.

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 and for NSP grantees a Management Plan for Continued Affordability, 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.

NSP Management Plan for Continued Affordability – The grantee identifies the start and end dates for affordability periods, the responsible organization in charge of the affordability period, as well as the method used to enforced the affordability period, for each occupied unit.

Quarterly Performance Report (QPR) from the Disaster Recovery Grant Reporting (DRGR) System – The Grantee currently submits this report on a quarterly basis and the report is a previously approved collection by OMB. The report will demonstrate the completion of each NSP activity that used Line of Credit funds, and demographic and income information about the beneficiaries of the activity.

The grantee will 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.

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

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.

This package will replace the current closeout package and the information is not collected anywhere else.

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, who are recipients of CDBG funds from a State 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 NSP2 and 3 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 OneCPD website.

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 and NSP grants and execute signed contracts in accordance to the provisions of the Grant Agreement. The information is also only collected once in the life of the grant.

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

Record retention for over five years is the only special circumstance that would cause this information collection to be conducted in a manner that would impose one of the additional requirements identified under this item. Specifically pursuant to 42 USC 12707(a)(4) grantees are required to retain records for five years after the completion of a CDBG funded project. Though in many cases this time frame will not be a factor at the time of closeout, HUD is encouraging all grantees to retain records for the five year time frame to ensure compliance with the statute's requirement.

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 ----- for 60 days.

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 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

The following table demonstrates burden hours, established on HUD's estimates of grantees requesting and completing closeout. Based on the number of grantees closing out in past years, HUD estimates an average of 204.5 responses per year, equaling an annualized burden hours for grantees of 738.5, and at an assumed rate of \$24.10** per hour, the total annualized cost would be \$17,797.85. For most forms the hour burdens were estimated by past experience of HUD staff working with grantees to closeout grants. The new forms were similar enough to the old forms to allow for a similar burden hour estimate to be assumed. It should be noted that some of the document packages in this notice contain introductory form letters; these letters were not given a burden hour estimate since they contain instructions for the listed forms.

**GS 11, step 1 (2013 OPM tables)

Information Collection	Number of Respondents	Frequency of Response	Annual Burden Hours
State CDBG Program Grant Closeout Certification	50	once during the grant	1

State Closeout Agreement	50	once during the grant	1
State CDBG Closeout Checklist	50	once during the grant	1
CDBG Entitlement Program Grantee Closeout Certification	1,185	once during the grant	0.5
CDBG Closeout Checklist	1,185	once during the grant	0.5
Grant Closeout Agreement for Entitlement Community Development Block Grant Program	1,185	once during the grant	0.5
CDBG-R Program Grantee Closeout Certification	1167	once during the grant	75
CDBG-R Closeout Checklist	1167	once during the grant	75
Grant Closeout Agreement for Entitlement Community Development Block Grant - Recovery Program	1117	once during the grant	72
Grant Closeout Agreement for State Community Development Block Grant - Recovery Program	50	once during the grant	3
Grant Closeout Review/Checklist	55	once during the grant	2.25

Closeout Certification	55	once during the grant	2.25
Letter to be Attached to Final Report	55	once during the grant	2.25
Grant Closeout Agreement for Community Development Block Grant Disaster Recovery Program	55	once during the grant	2.25
Neighborhood Stabilization Program Grantee Closeout Certification	631	once during the grant	125
Neighborhood Stabilization Program Closeout Checklist	631	once during the grant	125
Grant Close Out Agreement Neighborhood Stabilization Program	631	once during the grant	125
Neighborhood Stabilization Program Management Plan for Continued Affordability	631	once during the grant	125
Totals	3,088	once the during grant	738.5

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

It is estimated that HUD will receive 204.5 responses per year, and that it will take HUD staff 8 hours to review and complete each response.

204.5 (respondents per year) x 8 (hours to review documentation) x \$28.88** (per hour) = \$ 47,247.68 is the estimate of annualized cost to the Federal government to complete the closeout task.

**GS 12, step 1 (2013 OPM tables)

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

The previous versions of this document did not include the Neighborhood Stabilization Program, with the inclusion of this program the burden hours have changed.

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

The 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.