

19. Certification for Paperwork Reduction Act Submissions

On behalf of this Federal Agency, 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 Real Estate Assessment Center	Date:
Signature of Senior Officer or Designee: X Colette Pollard, Departmental Reports Management Officer Office of the Chief Information Officer	Date:

Supporting Statement for Paperwork Reduction Act Submissions

A. Justification

1. What information is being collected, from whom, and why is it needed? Explain what the information is and why it's necessary. Identify any legal or administrative requirements that necessitate the collection.

Under current law, non-profit organizations receiving federal tax exemptions are required to report to the IRS annually the names and compensation of their highest compensated employees. Public housing agencies (PHAs) receive significant direct federal funds, and to promote similar public transparency and to enhance oversight by HUD and by state and local authorities, the same information is being collected from PHAs and made available. After the compensation information is collected, it will be made available on the HUD website.

The collection is authorized pursuant to HUD's specific oversight of the public housing operating fund that is found in the U.S. Housing Act of 1937, as amended, 42 U.S.C. 1437 *et seq.*, particularly 42 U.S.C. 1437c(a)(1) and (f) and 42 U.S.C. 1437f(b)(1). Authority also is found in the Department of Housing and Urban Development Act (42 U.S.C. 3531 *et seq.*) (HUD Act). Under the HUD Act, HUD is provided general oversight and monetary authority over its funded programs. In particular, section 7(r)(1) of the HUD Act (42 USC 3535(r)(1)) authorizes the Secretary to expend funds "for evaluating and monitoring" housing programs, including public housing and all other programs authorized under the U.S. Housing Act of 1937 and other HUD statutes, and for "collecting and maintaining data for such purposes."

In addition, the government-wide regulations governing grants and cooperative agreements to state, local, and federally recognized Indian tribal governments at 2 CFR 200.336, Access to Records, provide: "(a) Records of non-Federal entities. The Federal awarding agency, Inspectors General, the Comptroller General of the United States, and the pass through entity, or any of their authorized representatives, must have the right of access to any documents, papers or other records of the non-Federal entity which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the non-Federal entity's personnel for the purpose of interview and discussion related to such documents."

Beginning in HUD's federal fiscal year 2012 appropriations, and carried forward in subsequent year appropriations act, Congress limited the use of Section 8 and 9 appropriations to pay the salary of any public housing agency employee. The limit on the amount of the current fiscal year's Section 8 and 9 funds that can be paid for any public housing agency employee that year is tied to the annual rate of basic pay payable for a position at level IV of the Executive Schedule. In FFY 2015 Congress included bonuses paid from Section 8 and 9 in that limitation.

These statutory and regulatory authorities are the basis for the information collection which improves regulatory oversight and monitors PHAs compliance with Congress's directive.

2. What's it for; and for whom? What information is collected and how is it collected. Explain how the information is to be used; for what purpose and by whom.

The information is similar to that required by the IRS from all non-profit organizations receiving federal tax exemptions. The collection includes the PHA name, identifying PHA code, and the following information for the PHA's top management official, top financial official and highest compensated employee who is not either the top management official or the top financial official: name, title, and compensation (including reportable compensation from the PHA and related organizations). In addition, PHAs will submit a salary breakdown for the employees and report sources of funds. The information will be used for several purposes. HUD officials will use the information as part of their oversight and review of PHAs. One of the factors HUD officials consider for PHAs is how they handle administrative and related expenses. Having data available on these three individuals at each PHA will allow HUD officials to review this aspect of PHA administrative expenses and compare these expenses across the range of all PHAs. This will be particularly useful in evaluating PHAs designated troubled because of administrative or other problems. It is anticipated the state and local authorities that also oversee PHAs, and often appoint their boards of directors, will find this information useful for oversight purposes.

In addition, the information is used to promote transparency. HUD will post on its website the job title and compensation of the employees covered by the collection, just as this information is available for tax-exempt organizations, federal employees, and many private corporations.

3. Is the information submitted electronically? Will it ultimately reside in an automated system? Describe whether, and to what extent, the collection of information is automated (item 13b1 of OMB form 83-i). Under the Government Paperwork Elimination Act (GPEA), the public must be provided with the option of responding electronically. If that is not feasible, explain why. This must be addressed.

Yes. The compensation information will be completed and submitted electronically to HUD. HUD will then compile, analyze and make the data available.

4. Is this information collected elsewhere? Also, review current information collection packages for potential consolidation.

Similar information is collected by the Internal Revenue Service from all entities required to file Form 990s, which may include some PHAs or their affiliates. Similar information is or will be collected by the General Services Administration from many federal grantees, including many PHAs, under the American Recovery and Reinvestment Act of 2009 and the Federal Funding Accountability and Transparency Act of 2006.

5. Does the collection of information impact small business or small entities (item 5 of OMB form 83-I)? Describe any methods used to minimize burden.

Small entities are not impacted by this collection requirement. The reporting burden for all respondents is minimal because the form uses compensation data from the employee Internal Revenue Service Form W-2 Wage and Tax Statement.

6. Why can't the information be collected less frequently – or not at all?

The information is collected only once per year. Because compensation information often changes on an annual basis, collecting the information less frequently would diminish usefulness of this information. Not collecting the information would obviate the purpose of providing increased oversight and transparency concerning the administrative functions and expenses of PHAs that receive significant direct federal funding and would not provide HUD with a means to determine PHA compliance with the salary limitations annually imposed by Congress.

7. Explain any special circumstance requiring:

- respondents to report information more than quarterly;
- a written response in fewer than 30 days;
- more than an original and two copies of any document;
- respondents to retain records other than health, medical government contract, grant-in-aid, or tax records for more than three years.
- a statistical survey not designed to produce results that can be generalized to the universe of study;
- the use of a statistical data classification that has not been reviewed and approved by OMB;
- a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing data with other agencies for compatible confidential use; or
- respondents to submit proprietary trade secret, or other confidential information.

There are no special circumstances that would cause information collection to be conducted in a manner as described above.

8. Identify the date and page number of the *Federal Register* notice (and provide a copy) soliciting comments on the information. Summarize public comments and describe actions taken by the agency in response to these comments. Describe all efforts to consult with persons outside the agency to obtain their input.

HUD published a Notice of Proposed Information Collection for public comment in the *Federal Register*, at Volume 81 Page 24633, on April 26, 2016. The public was given until June 27, 2016, to comment. HUD received no comments on the notice.

9. Explain any payments or gifts to respondents, other than remuneration of contractors or grantees.

Not applicable to this information collection requirement.

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

Not applicable to this information collection requirement.

11. Justify any questions of a sensitive nature, such as sexual, religious beliefs, and other matters that are commonly considered private.

No such sensitive information is sought through this information collection.

12. Estimate public burden: number of respondents, frequency of responses, annual hour burden. Read the complete instruction form 83i. Explain how the burden was estimated. Generally, estimates should not include burden hours for customary and usual business practices.
- If this collection uses more than one form, provide separate estimates for each form and aggregate the hour burdens in item 13 of OMB Form 83i; and
 - Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories.
 - The cost of contracting out and paying outside parties for information collection activities should not be included here. Instead this cost should be included in Item 13.

The estimated burden hours is based on each of the approximately 4000 PHA responding annually.

Number of Respondents	X	Frequency of Response	=	Total Responses	X	Estimated Hours	=	Total Annual Burden Hours
4000		1		4000		.50		2000

The estimated annual cost to respondents assumes a financial analyst's salary of \$47.159 per year at a GS-10/1 level rate (Salary Table 2016-GS), or an hourly rate of \$22.60.

Total Burden Hours	X	Hourly Rate	=	Annualized Cost
2000		\$22.60		\$45,200

13. Estimate of the annual cost to respondents or record keepers (do not include the cost of hour burden shown in Item 12 and 14). Read the complete instructions on the form 83i.

There are no additional costs to respondents or record keepers.

14. Estimate annualized costs to the Federal government.

The estimated annualized cost to the federal government is based on the FY 2015 general pay schedule for a GS-14, Step 8 at an annual rate of \$107,628, or an hourly rate of \$51.57. On a per submission basis, it is estimated to take approximately 30 minutes to review the submission, extract the data, and compile the analysis.

Number of Responses	X	Estimated Hours per Response	=	Total Annual Burden Hours	X	Hourly Rate	=	Total Annual Cost
4000		.5		2000		\$51.57		\$103,140

15. Explain any program changes or adjustments reported in items 13 and 14 of the OMB Form 83i.

There are no program changes or adjustments in items 13 and 14 of the 83i.

The collection form, HUD form 52725, has been revised. The revisions do not change any the burdens. The revisions to the form 1) clarify the instruction to assist respondents, and 2) incorporate reporting the amount of bonus, incentive or other cash compensation paid from Section 8 and 9 funds.

16. If the information will be published, outline plans for tabulation and publication.

HUD will consolidate all responses and publish the information on its website. For publication purposes, information will be tabulated into three categories: PHA name/code, title, and Section 8 and 9 funds paid for salary and bonuses. HUD does not intend to publish the names of those holding the reported positions.

17. Explain any request to not display the expiration date.

Not applicable to this request.

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

There is no exception to the "Certification for Paperwork Act Submissions" for this request.