

# 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.

<p>1. Agency/Subagency Originating Request:  <b>U.S. Department of Housing and Urban Development</b>  <b>Office of Public and Indian Housing</b></p>	<p>2. OMB Control Number:                  a. 2577-0029      b. None</p>																		
<p>3. Type of information collection: (check one)</p> <p>a. <input type="checkbox"/> New Collection</p> <p>b. <input checked="" type="checkbox"/> Revision of a currently approved collection</p> <p>c. <input type="checkbox"/> Extension of a currently approved collection</p> <p>d. <input type="checkbox"/> Reinstatement, <b>without change</b>, of previously approved collection for which approval has expired</p> <p>e. <input type="checkbox"/> Reinstatement, <b>with change</b>, of previously approved collection for which approval has expired</p> <p>f. <input type="checkbox"/> Existing collection in use without an OMB control number</p> <p>For b-f, note item A2 of Supporting Statement instructions.</p>	<p>4. Type of review requested: (check one)</p> <p>a. <input checked="" type="checkbox"/> Regular</p> <p>b. <input type="checkbox"/> Emergency - Approval requested by</p> <p>c. <input type="checkbox"/> Delegated</p> <p>5. Small entities: Will this information collection have a significant economic impact on a substantial number of small entities?  <input type="checkbox"/> Yes   <input checked="" type="checkbox"/> No</p> <p>6. Requested expiration date:                  a. <input checked="" type="checkbox"/> Three years from approval date    b. <input type="checkbox"/> Other (specify)</p>																		
<p>7. Title:  <b>Allocation of Operating Subsidies under the Operating Fund Formula: Data Collection</b></p>																			
<p>8. Agency form number(s): (if applicable)</p> <p>(1) HUD-52722, (2) HUD-52723</p>																			
<p>9. Keywords:                  Housing, public housing, operating subsidy, utilities</p>																			
<p>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. <b>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.</b></p>																			
<p>11. Affected public: (mark primary with "P" and all others that apply with "X")</p> <p>a. Individuals or households    e. Farms</p> <p>b. Business or other for-profit    f. Federal Government</p> <p>c. Not-for-profit institutions    g. <b>P</b>State, Local or Tribal Government</p>	<p>12. Obligation to respond: (mark primary with "P" and all others that apply with "X")</p> <p>a. Voluntary</p> <p>b. <b>P</b> Required to obtain or retain benefits</p> <p>c. Mandatory</p>																		
<p>13. Annual reporting and recordkeeping hour burden:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">a. Number of respondents</td> <td style="text-align: right;">7,000</td> </tr> <tr> <td>b. Total annual responses</td> <td style="text-align: right;">14,000</td> </tr> <tr> <td>    Percentage of these responses collected via template</td> <td style="text-align: right;">99.9%</td> </tr> <tr> <td>c. Total annual hours requested</td> <td style="text-align: right;">10,500</td> </tr> <tr> <td>d. Current OMB inventory</td> <td style="text-align: right;">10,502</td> </tr> <tr> <td>e. Difference (+,-)</td> <td style="text-align: right;">-2</td> </tr> <tr> <td colspan="2">f. Explanation of difference:</td> </tr> <tr> <td>    1. Program change:</td> <td style="text-align: right;">additional projects</td> </tr> <tr> <td>    2. Adjustment:</td> <td style="text-align: right;">0</td> </tr> </table>	a. Number of respondents	7,000	b. Total annual responses	14,000	Percentage of these responses collected via template	99.9%	c. Total annual hours requested	10,500	d. Current OMB inventory	10,502	e. Difference (+,-)	-2	f. Explanation of difference:		1. Program change:	additional projects	2. Adjustment:	0	<p>14. Annual reporting and recordkeeping cost burden: (in thousands of dollars)                  Do not include costs based on the hours in item 13.</p> <p>a. Total annualized capital/startup costs</p> <p>b. Total annual costs (O&amp;M)</p> <p>c. Total annualized cost requested</p> <p>d. Current OMB inventory</p> <p>e. Difference</p> <p>f. Explanation of difference:</p> <p>    1. Program change:</p> <p>    2. Adjustment:</p>
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<p>15. Purpose of Information collection: (mark primary with "P" and all others that apply with "X")</p> <p>a. <b>P</b> Application for benefits      e. Program planning or management</p> <p>b. Program evaluation            f. Research</p> <p>c. General purpose statistics    g. <b>X</b> Regulatory or compliance</p> <p>d. Audit</p>	<p>16. Frequency of recordkeeping or reporting: (check all that apply)</p> <p>a. <input checked="" type="checkbox"/> Recordkeeping    b. <input type="checkbox"/> Third party disclosure</p> <p>c. <b>X</b> Reporting:</p> <p>    1. <input type="checkbox"/> On occasion    2. <input type="checkbox"/> Weekly            3. <input type="checkbox"/> Monthly</p> <p>    4. <input type="checkbox"/> Quarterly        5. <input type="checkbox"/> Semi-annually    6. <input checked="" type="checkbox"/> Annually</p> <p>    7. <input type="checkbox"/> Biennially        8. <input type="checkbox"/> Other (describe)</p>																		
<p>17. Statistical methods:                  Does this information collection employ statistical methods?  <input type="checkbox"/> Yes   <input checked="" type="checkbox"/> No</p>	<p>18. Agency contact: (person who can best answer questions regarding the content of this submission)                  Name: Mehul Patel                  Phone: 202-402-3024</p>																		

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## 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.

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Signature of Program Official:

Date:

X  
Kevin J. Gallagher, Director  
Office of Public and Indian Housing, Public Housing Financial Management Division

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Signature of Senior Officer or Designee:

Date:

X  
Collette Pollard, Departmental Reports Management Officer,  
Office of the Chief Information Officer

# Supporting Statement for Paperwork Reduction Act Submissions

## A. Justification

1. This is a revision 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 \$4.5 billion annually to approximately 3,000 PHAs to fund their operating and maintenance expenses associated with 1 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 7,000 asset management properties (or projects) and in accordance with the rule HUD allocates the funding directly to the approximately 7,000 asset management properties (or projects).

2. HUD is requesting Paperwork Reduction Act approval to collect from each PHA, by project, information to calculate and fund the PHA’s share of the Operating Fund appropriation amount. The table below describes the two forms covered by this collection:

<b>Allocation of Operating Subsidies under the Operating Fund Formula: Data Collection</b>			
<b>OMB Control Number: 2577-0029</b>			
<b>No.</b>	<b>Form No.</b>	<b>Form Name</b>	<b>Form Description</b>
1	HUD-52722	Calculation of Utilities Expense Level	This form captures the utilities consumption levels by utility type. 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. 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. These forms are electronically submitted.
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.
  - Requiring respondents to report information to the agency more often than quarterly; *Respondents requested to report information once, annually.*
  - Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it; *Respondents are not requested to provide written response in connection to this information collection.*
  - Requiring respondents to submit more than an original and two copies of any document; *Respondents requested only submit one copy of the form.*
  - Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than 3 years; *Respondents are not required to retain these forms.*
  - In connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study; *Information collection is not used in a statistical survey.*
  - Requiring the use of a statistical data classification that has not been reviewed and approved by OMB; *Information collection is not used in a statistical survey.*
  - That includes 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 that unnecessarily impedes sharing of data with other agencies for compatible confidential use; or *The information collected is not confidential and does not contain any privacy and personal information, and does not require a pledge of confidentiality.*
  - Requiring respondents to submit proprietary trade secrets or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law. *The information collected does not request proprietary trade secrets or other confidential information.*
8. HUD published a Notice of Proposed Information Collection for Public Comments in the Federal Register to submit comments on the proposed information collection.

HUD published a Notice of Proposed Information Collection for Public Comments in the *Federal Register*, Volume 81; No. 245; Page 93698, on December 21, 2016. The public was given until February 21, 2017 to submit comments on the proposed information collection. HUD received no comments on this proposed collection.

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 7,000 affected projects, for a total of 10,500 burden hours. The estimated response time includes the time for preparation of the forms and any recordkeeping burden.

<b>Total Estimated Annual Burden Hours</b>				
<b>HUD Form Number</b>	<b>Number of Respondents</b>	<b>Frequency of Response</b>	<b>Estimated Hours</b>	<b>Total Annual Burden Hours</b>
HUD-52722	7,000	1	.75	5,250.00
HUD-52723	7,000	1	.75	5,250.00
<b>Total</b>				10,500.00

The estimated annualized cost to respondents is based on the 2017 general pay schedule for a GS-11, Step 1, rate for Washington-Baltimore-Arlington, DC-MD-WV-PA (an average salary for a financial analyst) that is \$30.98 per hour.

<b>Total Estimated Annual Costs to Respondents</b>						
<b>HUD Form Number</b>	<b>Number of Respondents</b>	<b>Total Burden Hours</b>	<b>X</b>	<b>Hourly Rate</b>	<b>=</b>	<b>Annualized Cost</b>
HUD-52722	7,000	5,250		\$31.87		\$167,317.50
HUD-52723	7,000	5,250		\$31.87		\$167,317.50
<b>Total</b>						\$334,635.00

13. There will be no additional costs to the respondents.
14. The estimated annualized cost to the federal government is based on the 2017 general pay schedule for a GS-11, Step 1 rate for Washington-Baltimore-Arlington, DC-MD-WV-PA (an average salary for a financial analyst) that is \$30.98 per hour. It is estimated that it takes approximately 1 hour to review the submission package from each PHA.

<b>Total Estimated Annual Costs to the Federal Government</b>					
<b>No. of Respondents</b>	<b>Burden Hours</b>	<b>X</b>	<b>Hr. Rate</b>	<b>=</b>	<b>Annual Cost</b>
14,000	14,000		\$30.98		\$433,720.00
9	9		\$30.98		\$278.82
<b>Total</b>					\$433,998.82

15. Three changes occurred with the form HUD-52723. First, the respondents requested to provide the total number of units for all projects under the Annual Contributions Contract (ACC). Second, HUD aligned the requirements for Limited Vacancy (Section 2, Line 14) to 24 CFR 990.150. Finally, the respondents may enter the Resident Paid Utilities benefits for Energy Performance Contracts in a separate line (Section 3, Part B, Line 02).
16. There is one change to the HUD-52722, HUD eliminated the Frozen Rolling Base checkbox in Section 1. Instead the respondents indicate a Rolling Base Consumption Level Category for each utility.
17. The information collection will not be published.
18. 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.

19. 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.