

## **Supporting Statement for Paperwork Reduction Act Submissions Electronic Line of Credit Control System (eLOCCS) System Access**

### A. Justification

1. This information collection is necessary to designate an appropriate official to access Electronic Line of Credit Control System (eLOCCS), which provides a means for Grant recipients to receive payments. The attached copy of CFT 85.21 prescribes the basic standard and methods under which a Federal agency will make payments to grantees. HUD must collect identifying information from Grantees to establish their eLOCCS access.
2. Grant recipients provide information for the applicable HUD program with all the necessary information (first, last, and middle name, title, telephone number, work mailing address, e-mail address, organization tax ID number, organization name) to be granted access to eLOCCS. Upon receiving access to eLOCCS, grantees can request payment through the Electronic Line of Credit Control System (eLOCCS System.) Respondents submit payment requests directly to HUD. Additional information is submitted to establish access to the eLOCCS system. This information is also used as an internal control feature that's instituted to support and safeguard Federal funds, as well as provide a service to the recipients.
3. The eLOCCS system provides a fast, reliable method for recipients to obtain Federal funding. This technology method allows the recipient to know before the end of the call whether their request will be paid, who to call if there is a problem, or if the request was not processed by the system. All requests processed by the system are paid by Automated Clearing House (ACH) within 48 hours. A link to the LOCCS program area codes is on the instructions page of the HUD-27054E form.
4. Each request for funds distribution is unique. Only the identifying elements are duplicated to establish access. Duplicated information cannot be used in order to differentiate the distribution. Identifiers are needed for transactions in case auditors need to review them for waste, fraud and abuse.
5. There is no impact to small entities.
6. The collection provides for funds distribution to grant recipients. Distribution is not feasible without receipt of a request. HUD cannot meet its' mission if grantees have no method to receive payments.
7. There are no special circumstances that apply to this information collection.
  - requiring respondents to report information to the agency more often than quarterly.
  - o The associated burden is the minimum need to request payment of funds. The eLOCCS system will accept request of funds from a recipient on a daily basis; however, a recipient should be using good cash management practices and request payment of HUD funds

administratively close to when they have to pay their bills.

The frequency a recipient request funds will depend upon the types of activities they are managing and the recipient's needs may exceed a quarterly response.

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

8. A notice requesting public comments for 60 days was published in the Federal Register on September 26, 2016, Volume 81, Page 66069. No comments were received.

9. No payment or gift is provided.

10. A Privacy Act Statement is included on each information collection instrument to assure confidentiality in collecting this information. This payment system will require that the latest security features be installed to deter fraudulent payments. Only a limited number of authorized officials will have access to the system for updating purposes.

11. The collection does not contain information of a sensitive nature about behavior or attitudes, religious beliefs, or private matters.

12. Estimate of the hour burden of the collection of information:

Average Annual Usage

| Information Collection | Number of Respondents | Frequency of Response | Responses Per Annum | Burden Hour Per Response | Annual Burden Hours | Hourly Cost Per Response | Annual Cost |
|------------------------|-----------------------|-----------------------|---------------------|--------------------------|---------------------|--------------------------|-------------|
| HUD-27054E             | 2,420                 | 1                     | 2,420               | 0.17                     | 411.4               | \$52                     | \$21,392.80 |
| <b>Total</b>           |                       |                       |                     |                          | 411.4               | \$52                     | \$21,392.80 |

13. There are no additional cost associated with this collection. The revised collection no longer

requires social security numbers because the Voice Response System (VRS) has been replaced with eLOCCS. The replacement of VRS has decreased the amount of collection needed and lowered manual processes which has reduced burden hours.

14. Estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information:

| Reporting Instrument | Number of Responses | Review Time | Burden      |
|----------------------|---------------------|-------------|-------------|
| Form-27054E          | 2,420               | 0.17        | 411.4 hours |

2420 responses x .17 burden hour per response x \$51.51 p/hr.(GS-13 Step 6) = \$211, 9121.40.

15. This is a revision of a currently approved collection. The revised collection no longer requires social security numbers because the Voice Response System (VRS) has been replaced with eLOCCS. The replacement of the VRS has substantially decreased the amount of collection needed and lowered manual processes which has greatly reduced burden hours.

In addition, Form-27053 is no longer required which reduces the number of burden hours significantly since Form-27053 responses are no longer needed. Previously, when Form-27053 was used, it required an average annual usage of 278,300 responses, which, at 0.17 average hours per response, translated to 47,311 hours. The use of the electronic LOCCS system eliminated the use of Form-27053, since respondents can enter their responses directly into the system.

16. Results will not be published.

17. No exceptions are requested.

18. No exceptions.