

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.

| | | | |
|--|--|---|--|
| 1. Agency/Subagency Originating Request: U.S. Department of Housing and Urban Development Office of Public and Indian Housing Real Estate Assessment Center | | 2. OMB Control Number: a. 2577-0257 b. | |
| 3. Type of information collection: (check one) a. <input type="checkbox"/> New Collection b. <input checked="" type="checkbox"/> Revision of a currently approved collection c. <input type="checkbox"/> Extension of a currently approved collection d. <input type="checkbox"/> Reinstatement, without change , of previously approved collection for which approval has expired e. <input type="checkbox"/> Reinstatement, with change , of previously approved collection for which approval has expired f. <input type="checkbox"/> Existing collection in use without an OMB control number For b-f, note item A2 of Supporting Statement instructions. | | 4. Type of review requested: (check one) a. <input checked="" type="checkbox"/> Regular b. <input type="checkbox"/> Emergency - Approval requested by c. <input type="checkbox"/> Delegated 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 6. Requested expiration date: a. <input checked="" type="checkbox"/> Three years from approval date b. <input type="checkbox"/> Other (specify) | |
| 7. Title: Public Housing Assessment System (PHAS) Appeals; PHAS Unaudited Financial Statement Submission Extensions; Assisted and Insured Housing property inspection Technical Reviews and Database Adjustments | | | |
| 8. Agency form number(s): (if applicable) Request for Technical Review or Database Adjustment – HUD-52306 | | | |
| 9. Keywords: Housing, public housing, appeals, reviews, adjustments, financial statements, extensions | | | |
| 10. Abstract: Pursuant to the Public Housing Assessment System (PHAS) regulation (24 CFR part 902) public housing agencies (PHAs) may (1) appeal a PHAS score and designation, and (2) request an extension of time to submit unaudited financial information. Under PHAS, PHAs also may request a database adjustment (DBA) or technical review (TR) of a property's physical inspection. Office of Housing property owners (MF POs) also may request a DBA or TR of a property's physical inspection pursuant to 24 CFR part 200, subpart P. | | | |
| 11. Affected public: (mark primary with "P" and all others that apply with "X") a. Individuals or households b. Business or other for-profit c. <input checked="" type="checkbox"/> Not-for-profit institutions e. Farms f. Federal Government g. <input checked="" type="checkbox"/> State, Local or Tribal Government | | 12. Obligation to respond: (mark primary with "P" and all others that apply with "X") a. <input checked="" type="checkbox"/> Voluntary b. <input checked="" type="checkbox"/> Required to obtain or retain benefits c. <input type="checkbox"/> Mandatory | |
| 13. Annual reporting and recordkeeping hour burden: a. Number of respondents 34,000 b. Total annual responses 1,510 Percentage of these responses collected electronically 1% c. Total annual hours requested 11,646.25 d. Current OMB inventory 10,343 e. Difference (+,-) +1,303.25 f. Explanation of difference: 1. Program change: 2. Adjustment: +1,303.25 | | 14. Annual reporting and recordkeeping cost burden: (in thousands of dollars) Do not include costs based on the hours in item 13. a. Total annualized capital/startup costs b. Total annual costs (O&M) c. Total annualized cost requested d. Current OMB inventory e. Difference f. Explanation of difference: 1. Program change: 2. Adjustment: | |
| 15. Purpose of Information collection: (mark primary with "P" and all others that apply with "X") a. Application for benefits b. <input checked="" type="checkbox"/> Program evaluation c. General purpose statistics d. Audit e. <input checked="" type="checkbox"/> Program planning or management f. Research g. <input checked="" type="checkbox"/> Regulatory or compliance | | 16. Frequency of recordkeeping or reporting: (check all that apply) a. <input checked="" type="checkbox"/> Recordkeeping b. <input type="checkbox"/> Third party disclosure c. <input checked="" type="checkbox"/> Reporting: 1. <input checked="" type="checkbox"/> On occasion 2. <input type="checkbox"/> Weekly 3. <input type="checkbox"/> Monthly 4. <input type="checkbox"/> Quarterly 5. <input type="checkbox"/> Semi-annually 6. <input type="checkbox"/> Annually 7. <input type="checkbox"/> Biennially 8. <input type="checkbox"/> Other (describe) | |
| 17. Statistical methods: Does this information collection employ statistical methods? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | 18. Agency contact: (person who can best answer questions regarding the content of this submission) Name: Claudia J. Yarus Phone: 202-475-8830 | |

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.

Signature of Program Official:

Date:

X
Donald J. La Voy, Deputy Assistant Secretary
Office of Public and Indian Housing Real Estate Assessment Center

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. Why is this information necessary? Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating/authorizing the collection of information.

Section 6(j) of the United States Housing Act of 1937, as amended (the Act), establishes specific assessment indicators for public housing agencies (PHAs) and directs the Secretary to develop additional indicators to assess the management performance of PHAs in all major areas of management operations. These assessments are conducted in accordance with the Public Housing Assessment System (PHAS) (24 CFR part 902) (**Exhibit A**) rule for four indicators: physical condition, financial condition, management operations, and Capital Fund Program. Under PHAS, a PHA is designated troubled if it fails to perform under the assessment indicators or is unable to administer the Capital Fund Program. Pursuant to § 6(j)(2)(A)(iii) of the Act, HUD is required to establish procedures for PHAs to appeal a troubled designation. Section 902.69 of PHAS provides that PHAs may appeal a troubled designation, petition for the removal of troubled designation, or appeal a final overall PHAS score.

Section 902.60 of the PHAS rule provides that, in extenuating circumstances, PHAs may request an extension of time to submit their unaudited financial information. The due date from which a PHA may request the extension is set forth in Section 902.33. A request for an extension, when granted, postpones the imposition of sanctions for a late submission.

Sections 902.24 and 902.68 of the PHAS rule provide, respectively, that PHAs may request a database adjustment (DBA) and a technical review (TR) of a project's physical inspection. A PHA may request a DBA based on facts and circumstances affecting a project which are not reflected in the physical inspection or inappropriately reflected in the physical inspection, for adverse conditions beyond the PHA's control, and for modernization work in progress. All DBAs must be submitted to the PHA's applicable HUD field office that reviews the request and forwards a recommendation to HUD headquarters. A PHA may request a TR of the inspection results for a project if the PHA believes an objectively verifiable and material error(s) occurred in the inspection of that project.

Corresponding provisions for owners and agents of multifamily insured and assisted properties (MF POs) to submit requests for DBAs and TRs are in the Physical Condition of Multifamily Properties regulation at 24 CFR part 200 subpart P, Section 200.857 (**Exhibit B**).

2. How is this information to be used?

For both PHAs and MF POs accurate assessments and scores are necessary. HUD uses PHA assessment data to determine the four PHAS indicator scores and an overall PHAS score. Based on the four indicator scores and overall PHAS score, a PHA is designated a high, standard, substandard or troubled performer. When granted, an appeal results in a change of a PHA's PHAS score and designation or a change in a project's physical condition, financial condition, or management operations score.

When granted, a DBA or TR request results in a change in a PHA's individual property score. PHAs performing poorly receive technical assistance from HUD, may be subject to additional reporting requirements, and are subject to possible penalties. For MF POs, the physical inspection scores are integrated with other assessments that the Office of Housing uses for monitoring and enforcement purposes. In accordance with certain protocols, the Office of Housing takes action against properties that receive unacceptable scores.

For PHAs that do not submit audited financial information timely in accordance with PHAS submission date, sanctions may be imposed. Therefore, if PHAs with extenuating circumstances why they cannot meet the unaudited financial information submission date do not submit a request for extension for review and consideration by HUD, they may be sanctioned without cause.

Exhibit C is a screen shot of the template PHAs complete if they elect to submit a PHAS appeal on-line through HUD Secure Systems.

Exhibit D is a screen shot of the template in HUD Secure Systems that PHAs must complete to request an extension of time to submit unaudited financial information.

Exhibit E is a copy of a form PHAs and POs have the option of completing and including with their request for a DBA or TR.

3. Describe whether, and to what extent, the collection of information is automated (item 13b1 of OMB form 83-i). Also describe any consideration of using information technology to reduce burden.

All requests for appeals, TRs and DBAs must be in writing. PHAs may submit a PHAS appeal by mail (e.g., US Mail, UPS, couriers etc.), by email, or through the website application in HUD Secure Systems. Less than 1% of appeals are submitted by email and through the web based application; 99% are submitted by mail. PHAs and MF POs have the option of submitting the written requests for TRs and DBAs through the mail (e.g., US Mail, UPS, couriers etc.) or by email. Approximately 1% of all TR/DBAs are received by email; 99% of TR/DBAs are submitted by mail.

All PHA requests for an extension of time to submit unaudited financial information must be made electronically through HUD Secure Systems.

4. Is this information collected elsewhere? If so, why cannot any similar information already available be used or modified.

HUD is not aware of any duplication of efforts to collect this data.

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

The information being collected has no significant impact on small businesses or other small entities.

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.

The collection of this information supports HUD ongoing mission to provide safe, decent and affordable housing to lower income households and accurate assessment information is necessary. PHAs performing poorly receive technical assistance from HUD, may be subject to additional reporting requirements, and are subject to possible penalties. For the Office of Housing, accurate scores are vital to their monitoring and compliance efforts; unacceptable property scores result in automatic penalties and referral for enforcement actions. The statutory right of PHAs to appeal assessments (i.e., scores and designations) under PHAS is statutory incorporated into the PHAS rule not only complies with the intent of Congress but supports accurate performance assessments. The regulatory provisions affording PHAs and MF POs the right to submit DBA and TR requests ensure that PHAs and MF POs are not penalized for conditions beyond their control and that the physical condition assessment of HUD insured and assisted properties is accurate. The consideration of requests for extensions of time to submit unaudited financial information ensures PHAs are not penalized for extenuating circumstances affecting their ability to timely submit required financial information used to monitor the effectiveness of asset management, identify possible instances of financial non-compliance, monitor the financial health of individual PHAs, specific programs, and the overall portfolio of PHAs.

7. Explain any special circumstances:

- requiring respondents to report information to the agency more than quarterly;
Not Applicable
- requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
Not Applicable
- requiring respondents to submit more than an original and two copies of any document;
Not Applicable
- requiring respondents to retain records other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
Not Applicable
- in connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of the study;
Not Applicable
- requiring the use of statistical data classification that has not been reviewed and approved by OMB;
Not Applicable
- 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 which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
Not Applicable
- requiring respondents to submit proprietary trade secret, 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.
Not Applicable

There are no special circumstances that require the collection of information to be inconsistent with the guidelines in 5 CFR § 1320.6.

- 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 views.

HUD published a Notice of Proposed Information Collection for public comment in the *Federal Register*, at Volume 82, No. 195, Page 47241, on October 11, 2017. The public was given until December 11, 2017, to comment. HUD received no comments on the notice.

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

No payments or gifts are provided to respondents.

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

No assurance of confidentiality is provided nor is any such assurance needed.

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

No sensitive questions are asked.

- 12.** Estimate public burden: number of respondents, frequency of response, annual hour burden.

A. Appeals and Requests for DBAs and TRs. The burden hour calculations for preparation and submission of appeals, DBAs and TRs are shown by type and submitter. The calculations assume that

there are differences in the amount of time needed to prepare the applicable package due the differences in required information and supporting documents.

The estimated annual number of PHA appeals, PHA DBAs and PHA TRs and MF PO DBAs and TRs is the average number of each such submission received in the past three years.

| Burden Hour Estimates for Respondents for Appeals, TRs and DBAs | | | | | | | | |
|--|------------------------------|----------|------------------------------|------------------------|----------|------------------------|----------|----------------------------------|
| Type | Number of Respondents | X | Frequency of Response | Total Responses | X | Estimated Hours | = | Total Annual Burden Hours |
| PHA Appeal | 151 | | 1 | 151 | | 5 | | 755 |
| PHA DBA | 189 | | 1 | 189 | | 8 | | 1,512 |
| PHA TR | 293 | | 1 | 293 | | 8 | | 2,344 |
| MF PO DBA | 189 | | 1 | 189 | | 8 | | 1,512 |
| MF PO TR | 688 | | 1 | 688 | | 8 | | 5,504 |
| Totals | 1,510 | | | 1,510 | | | | 11,627 |

The estimated annual cost to respondents assumes an annual salary of \$ 79,720 at a GS-12/1 level rate (Salary Table 2017-GS) or an hourly rate of \$34.81

| Estimated Annual Costs to Respondents for Appeals, TRs and DBAs | | | | | |
|---|--------------------|---|-------------|---|-----------------|
| Number of Respondents | Total Burden Hours | X | Hourly Rate | = | Annualized Cost |
| 1,510 | 11,627 | | 34.81 | | 404,736 |

B. **Requests for Extensions of Time.** The estimated annual number of PHA requests for extensions of time to submit unaudited financial information is the average number of such submission received in the past two years.

| Number of Respondents | X | Frequency of Response | Total Responses | X | Estimated Time in Minutes | = | Total Annual Burden Hours |
|-----------------------|---|-----------------------|-----------------|---|---------------------------|---|---------------------------|
| 45 | | 1 | 45 | | 10 (.17 hours) | | 7.65 |

The estimated annual cost to respondents assumes an annual salary of \$79,720 at a GS-12/1 level rate (Salary Table 2017-GS) or an hourly rate of \$34.81.

| Estimated Annual Costs to Respondents | | | | | |
|---------------------------------------|--------------------|---|-------------|---|-----------------|
| Number of Respondents | Total Burden Hours | X | Hourly Rate | = | Annualized Cost |
| 45 | 7.65 | | \$34.81 | | \$266.30 |

TOTAL BURDEN HOURS: 11,627 + 7.65 = 11,634.65

TOTAL COST TO RESPONDENTS: \$404,736 + 266.30= \$405,002.30

13. Estimate of the annual cost to respondents or record keepers (do not include the cost of hour burden shown in Items 12 and 14).

No other costs are associated with the collection of this information.

14. Estimate annualized costs to the Federal government.

A. **Appeals and Requests for DBAs and TRs.** The estimated annualized costs to the federal government for reviewing and approving or rejecting appeals and requests for DBAs and TRs is based on the general pay schedule for a GS-13/1 analyst/engineer. Assuming an annual salary of \$94,796 (Salary Table 2017-GS), at an hourly rate of \$45.42 it is estimated to take an average of approximately 4.5 hours to review a submission/request and provide the recommended action.

| Number of Requests | X | Estimated Hours per Request | = | Total Annual Burden Hours | X | Hourly Rate | = | Total Annual Cost |
|--------------------|---|-----------------------------|---|---------------------------|---|-------------|---|-------------------|
| 1,510 | | 4.5 | | 6,795 | | \$45.42 | | \$308,629 |

B. **Requests for Extensions of Time.** The estimated annualized cost to the federal government for reviewing and approving or rejecting requests for extensions of time to submit unaudited financial information is based on the general pay schedule for a GS-14/1 Assessment Manager. Assuming an

annual salary of \$112,021 (Salary Table 2017-GS), at an hourly rate of \$40.99 it is estimated to take an average of approximately 15 minutes to review each request and make a determination.

| Number of Requests | X | Estimated Time per Review (in minutes) | = | Total Annual Burden Hours | X | Hourly Rate | = | Total Annual Cost |
|--------------------|---|--|---|---------------------------|---|-------------|---|-------------------|
| 47 | | 15 | | 11.75 | | \$53.68 | | \$631 |

TOTAL COST GOVERNMENT: \$ 308,629 + \$ 630.74 = \$ 309,260

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

This is a revision of a previously approved collection. Revisions have been made to the 83i and throughout the Supporting Statement to update the burden hours and costs to PHAs associated with submitting appeals, and DBAs/TRs. Some burden hours decreased (e.g., appeals) and some increased (e.g., DBAs/TRS).

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

The information will not be published.

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

HUD is not seeking approval to not display the expiration date of the OMB approval.

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

There are no exceptions to the certification statement identified in item 19 of the OMB 83-I.

B. Collections of Information Employing Statistical Methods

N/A