
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.

N/A

Signature of Program Official: David A Vargas, Deputy Assistant Secretary Office of Public and Indian Housing, Real Estate Assessment Center	Date:
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Signature of Senior Officer or Designee: X Colette Pollard, Departmental Reports Management Officer, Office of the Chief Information Officer	Date:
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Supporting Statement for Paperwork Reduction Act Submissions

A. Justification

1. Why is this information necessary?

The collection of financial data associated with HUD's Low Rent (Public Housing) and Section 8 Housing Voucher programs (HCV) is authorized by the Uniform Financial Reporting Standards regulation (UFRS) at 24 CFR §5.801. The UFRS rule requires the specified HUD-funded entities to submit financial information using Generally Accepted Accounting Principles (GAAP) on an annual basis to HUD in an electronic format. For public housing agencies (PHAs), including PHAs and other entities that administer the Housing Choice Voucher program, the rule requires:

- Unaudited statements to be submitted no later than 60 days after the end of PHA's fiscal year; and
- Audited statements to be submitted no later than nine (9) months after the end of the PHA's fiscal year.

In accordance with the Public Housing Operating Fund Program regulation at 24 CFR Part 990 and the Public Housing Assessment System (PHAS) rule at 24 CFR part 902, PHAs are to submit financial information at the project level and for all of their programs and business activities. The financial data is consolidated into a PHA report and the individual project-level data is scored.

No changes has been made to the Public Housing Financial Management Template since the previous submission.

2. How is this information to be used?

HUD uses the program level and entity wide financial information it collects to evaluate the financial condition of entities receiving Federal financial assistance. Standardized electronic submissions yield more accurate reviews and analyses, improve monitoring and oversight of PHAs and an easier way to identify and then mitigate the risks of financial loss.

Through the PHAS Financial Assessment Subsystem, HUD evaluates the financial data from PHAs using predetermined financial ratios and factors to compute a financial score for each property and an overall PHA unit weighted average financial score. The overall financial score, along with the other PHAS indicator scores, is used to create an overall PHAS score for each PHA. This overall PHAS score determines if the PHA's performance is high, standard or troubled. PHAs performing poorly receive technical assistance from HUD, may be subject to additional reporting requirements, and are subject to possible penalties.

3. Describe whether, and to what extent, the collection of information is automated?

The entire submission process – unaudited and audited financial information – is automated. Each PHA submits the data through an Internet-based set of forms and templates using one of three methods in HUD's "Secure System." The first method used by most PHAs consists of manually entering data on-line into HUD's Secure Systems. The second method consists of using specialized software called XML (Extensible Markup Language) that converts data captured in a PHA's accounting system into the HUD prescribed format. The third method consists of uploading

an MS Excel file from which data gets converted and captured into the HUD prescribed format. All methods of data transmission are available to all PHAs.

4. Duplication of information.

There will be no duplication of information. There is no similar information already available that may be used or modified for the purposes described in response to question #2.

5. Does the collection of information impact small businesses or other small entities?

The information collection will not have a significant impact on a substantial number of small entities. As previously discussed, this PRA submission is to request a three-year extension for the collection of information that is currently approved by OMB. HUD has not made any material change to the data collection instrument, the Public Housing Financial Management Template, the instructions, frequency of collection, or the use to which the information is to be put.

6. Describe the consequences to the Federal Program or policy activities if the collection is not conducted or is conducted less frequently.

As part of its ongoing mission to provide safe, decent and affordable housing to lower income households, HUD is continuously striving to identify fraud, waste, and abuse of HUD resources. Without the submission of financial data, HUD will not be able to monitor PHA's progress in implementing and 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. The submission of annual financial information is a long-standing statutory and regulatory requirement of entities that conduct business with HUD. The revised reporting standards improve HUD's interest (as well as the interest of taxpayers) in mitigating the risks of financial loss due to inefficient management, fraud or insolvency of a PHA.

7. Explain any special circumstances.

Since the electronic submission process requires respondents to submit confidential financial data, HUD has provided each program participant with a unique user identification code, limited the information available via its assessment system to employees with approved security access to the system, and allowed submitters "read-only" capability that will allow them to view their submitted data via the Internet.

- 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

8. Identify date and page number of the Federal Register notice soliciting comments on the information.

HUD published a Notice of Proposed Information collection for Public in the Federal Register, Volume 86; Page 12019 on March 1, 2021. The public was given until April 30, 2021, to submit comments on the proposed information collection. No comments were received.

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

There are no payments or gifts provided to respondents.

10. Describe any assurance of confidentiality provided to respondents.

No assurances of confidentiality are provided for this information collection.

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

No sensitive questions are being asked.

12. Annual Reporting Burden

The estimated burden hours for the collection of this data reflect the PHAs’ experience with inputting data into the Public Housing Financial Management Template. The following tables list the burden hours associated with the two required Public Housing Financial Management Template submissions (unaudited and audited). In the charts, below, the burden hour calculations are shown by the number of projects contained in a PHA, and are further separated for PHAs that administer only Low Rent units, Low Rent and Section 8 units, and only Section 8 units. The calculations assume that PHAs with more projects are larger. Larger PHAs tend to participate in more federal programs and require more time to complete the template because they have to input more data. For PHAs with fewer projects, the time to complete the template should be less because they tend not to have the variety of funding sources or financing vehicles typically available to larger-sized PHAs.

The estimated burden hours are based on the 2020 General Schedule annual salary and hourly rate for a GS-13/1 and GS-14/1 and the number of PHAs in HUD’s Public and Indian Housing Information Center (PIC) database that are required to report to FASS. The number of PHA respondents is expected to remain relatively constant over the next three years. Table 1 presents the average estimated burden hours for PHAs for Unaudited submissions.

Table 1: Average Burden Hour Estimates for PHAs for Unaudited submissions

Respondent Hour											
Unaudited Average Burden Hour Estimates for PHAs											
Number of Projects	Low Rent Only		Total Time (Burden Hrs. X # of PHAs)	Low Rent & Sec. 8		Total Time (Burden Hrs. X # of PHAs)	Section 8 Only		Total Time (Burden Hrs. X # of PHAs)	Totals	
	# of PHAs	Burden Hrs.		# of PHAs	Burden Hrs.		# of PHAs	Burden Hrs.		# of PHAs	Burden Hrs.
1	1,585	1.5	2,377.5	872	7.0	6,104.0				2,457	8,481.5
2-5	75	3.0	225.0	295	13.0	3,835.0				370	4,060.0
6-10	7	10.0	70.0	135	26.0	3,510.0				142	3,580.0
>11	8	20.0	160.0	127	40.0	5,080.0				135	5,240.0
Section 8							812	4.5	3,654.0	812	3,654.0
Total	1,675		2,832.5	1,429		18,529.0	812		3,654.0	3,916	25,015.5

Table 2 presents the average estimated burden hours for PHAs for Audited submissions.

Table 2: Average Burden Hour Estimates for PHAs for Audited submissions

Respondent Hour											
Audited Average Burden Hour Estimates for PHAs											
Number of Projects	Low Rent Only		Total Time (Burden Hrs. X # of PHAs)	Low Rent & Sec. 8		Total Time (Burden Hrs. X # of PHAs)	Section 8 Only		Total Time (Burden Hrs. X # of PHAs)	Totals	
	# of PHAs	Burden Hrs.		# of PHAs	Burden Hrs.		# of PHAs	Burden Hrs.		# PHAs	Burden Hrs.
1	1,329	1.5	1,993.5	848	4.0	3,392.0			-	2,177	5,385.5
2-5	75	2.0	150.0	295	7.5	2,212.5			-	370	2,362.5
6-10	7	5.0	35.0	135	16.0	2,160.0			-	142	2,195.0
>10	8	10.0	80.0	127	20.0	2,540.0			-	135	2,620.0
Section 8							714	3.0	2,142.0	714	2,142.0
Total	1,419		2,258.5	1,405		10,304.5	714		2,142.0	3,538	14,705.0

The estimated annualized costs to the respondents are provided in Table 3, which also reflects the estimated burden hours for unaudited and audited submissions shown in Tables 1 and 2. The population of PHAs in tables 3 and 4 consists of PHAs required to submit in fiscal year 2020. This population represents a full fiscal year of submissions and includes both unaudited and audited submissions. Unaudited submissions are due two months after a PHA's fiscal year end and audited submissions are due nine months after a PHA's fiscal year end. For the unaudited submissions, the hourly cost for response assumes a manager's General Schedule annual salary of \$78,681 (at GS-13/1) at an hourly rate of \$37.70. For the audited submission, the hourly cost for response assumes a certified public accountant annual salary of \$92,977 (at GS-14/1) at an hourly rate of \$44.55.

Table 3: Estimated Annualized Costs to Respondents

Total Estimated Annual Costs to Respondents						
FDS Submission	Number of Respondents	Total Annual Responses	X	Hourly Rate	=	Annualized Cost
PHAs - Unaudited	3,916	25,015.5		\$37.70		\$943,084.35
PHA - Audited	3,538	14,705.0		\$44.55		\$655,107.75
Totals	3,916	39,721				\$1,598,192.10

Totals 3,916 Total Responses 7,454 Total Hours 39,721

13. Additional costs to respondents.

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

14. Annualized cost to the Federal Government

The estimated annualized costs to the federal government, based on a GS-13/1 rate, are provided in the table 4. The GS-13/1 rate is the average salary for FASS analysts. The hourly cost for cost is assuming an analyst’s annual salary of \$74,584 or an hourly rate of \$35.74. The average amount of time it takes for an analyst to review an unaudited submission is almost a full hour (approximately 54 minutes). The average amount of time it takes for an analyst to review an audited submission is a little more than three and a half hours or approximately 3.5 hours.

Table 4: Estimated Annualized Costs to Federal Government

Total Estimated Annual Costs to Federal Government						
FDS Submission	Number of Respondents	Total Burden Hours	X	Hourly Rate	=	Annualized Cost
PHAs - Unaudited	3,916	3,542.5		\$37.70		\$133,552.25
PHA - Audited	3,538	12,451		\$37.70		\$469,402.70
Totals	3,916	15,994				\$602,954.95

15. Explain any program changes or adjustments.

There are no program changes or adjustments

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

The results of the information collection will not be published.

17. OMB Expiration Date

HUD is not seeking approval to avoid displaying the OMB expiration date. The expiration date and disclosure appear on the screen respondents see when they enter the secure system to make unaudited and audited submissions. See page 2 of Exhibits A and B.

18. Certification of Paperwork Reduction Act Submission

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

B. Collections of Information Employing Statistical Methods

This collection of information does not employ statistical methods.