

Supporting Statement for Paperwork Reduction Act Submissions

A. Justification

- 1. Explain the circumstances that make the collection of 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 or authorizing the collection of information.**

Procedures to assure sound management practices by public housing agencies (PHAs) are required by Section 6(c)(4) of the United States Housing Act of 1937 and Section 11 of the Consolidated Annual Contributions Contract (ACC). The ACC is between a PHA and the United States of America, acting by and through the Secretary of HUD, and requires PHAs to prepare and have approved by their Board of Commissioners an annual operating budget in a manner and using such forms as prescribed by HUD.

The 24 Code of Federal Regulations (CFR) 990.280 instructs that all PHAs “shall develop and maintain a system of budgeting and account for each project in a manner that allows for analysis of the actual revenues and expenses associated with each property.” 24 CFR 990.285 dictates that “Each PHA shall distribute the project-based budgets and year-end financial statements to the Chairman and to each member of the PHA Board of Commissioners, and to such other state and local public officials as HUD may specify.” PHAs are required to submit a board resolution evidencing approval of the budget to HUD on an annual basis. The authority granted in 24 CFR 990.285 (b) and (c), HUD may require PHAs to submit their operating budget and updated operating budget with actuals.

Copies of applicable regulations are attached to this PRA submission.

- 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

Public and Indian Housing (PIH) Office of Public Housing Programs Financial Management Division (FMD) requests that PHAs provide the HUD-52572. The PHA uploads the signed HUD-52572 through the Operating Fund (OpFund) Web Portal. The PHA’s board chair signs the HUD-52574 with a wet signature. When the PHA’s board chair signs the HUD-52575, the board chair is certifying that the PHA’s board completed their fiduciaries responsibilities hold a PHA board meeting to review and approve the PHA’s operating budget. FMD requires this certification before FMD disburses the PHA’s OpFund Grants. PIH Field Offices (FO) is responsible to verify the PHA uploaded the forms and FMD is responsible to maintain the OpFund Web Portal which accepts and stores the forms.

This information collection includes the burden hours to create the operating budget that the PHA board reviews. PHAs keep and create a budget for each public housing development. HUD does not require all PHAs and PHA boards to submit their budget or updates to the budget with actual financial data to HUD. Instead, PIH Office of Field Operations (OFO) may request certain PHAs to provide their operating budget and updates to the budget with actual financial data for review. PHAs are not required to create or provide OFO or FMD with an operating budget in any specific format. The PHAs, as part of their normal business operations create and update an operating budget and may continue to use their format.

- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden (item 13b1 of OMB form 83-i).**

FMD collects the PDF electronic form HUD-52574 with the PHA's board chairs wet signature uploaded through the Operating Fund (OpFund) Web Portal. The OpFund Web Portal is a secure web platform used by PHAs, FMD, and PIH Field Offices. The OpFund Web Portals is currently being used to perform data collection for the Operating Fund program. Because of this, program participants are familiar with the user interface and the Portal itself. FMD plans to collect this information through a web-based platform called the Operating Fund (OpFund) Web Portal. The OpFund Web Portal has been operational since CY 2017 and is used by program participants data collection elements under 24 CFR 990.

Screen shots of the OpFund Web Portal page where the PHA uploads the HUD-52574 are attached to this PRA submission

OFO may request to review the PHA's operating budget and updates with actual financial data. OFO requests the PHA provide budgets by email or during a site visit. OFO does not have a budget form or specified format for the PHA to create or maintain their operating budget and updates with actual financial data. OFO may require PHAs to submit their operating budget and updates with actual financial data via email.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

The requirements for submission of a board resolution and submission of budgets, on a case-by-case basis as required by HUD, have been in place since 24 CFR 990 became effective in 2007. There is limited potential for duplication. This PRA covers the submission of full budgets and budget v. actuals. All PHAs have been required to create such budgets and have them approved by their Boards on an annual basis. However, the vast majority of PHAs are not required to submit them to HUD. The regulation permits HUD to require PHAs to submit budgets. Generally, that is only done where PHAs have performance issues. The limited risk of duplication exists for PHAs that receive Shortfall funding, but efforts have been made to mitigate this. Limited duplication could occur where a PHA is receiving Shortfall funding. Shortfall Funding requires PHAs to submit budget and budget v. actuals. The duplication could occur in those instances where the FO also required the PHA to submit a budget. This should be rare as the FO would take into consideration that a Shortfall budget is also being submitted.

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.

This information collection is not required from small businesses or other small entities and does not impact small businesses and 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.

Congress Appropriates approximately \$5 billion in Operating Funds annually to PHAs. The PHA board has a fiduciary responsibility over the PHA's funding, and it is incumbent on the board to review and approve the PHA's Operating Funds. This collection indicates to HUD that the PHA provided the board with their operating budget and the board approved that budget as required by 24 CFR 990. Without the collection of Board resolutions, PHAs would be in non-compliance with the regulatory requirement to submit Board resolutions. Further, HUD would not receive even this minimal level of validation that Boards are performing their fiduciary duty. Without the collection of budgets, HUD would not have the necessary tools to conduct monitoring and oversight needed to ensure that PHAs with performance issues improve.

7. Explain any special circumstances that would cause an information to be collected in a manner:

- requiring respondents to report information to the agency more than quarterly; HUD may request PHAs to submit updates to their operating budget with actuals every two months.
- 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; Not Applicable or
- 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 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 them.

HUD published a Notice of Proposed Information Collection for public comments in the Federal Register, Volume 87; Number 144; Page 45354 on July 28, 2022. The public was given until September 26, 2022, to submit comments on the Proposed Information Collection. HUD received no public comments on this Proposed Information Collection.

9. Explain any decision to provide any payment or gift to respondents, other than re-enumeration of contractors or grantees.

No payments or gifts to respondents are provided.

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 needed nor are any provided.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private

No sensitive questions are being asked.

12. Provide estimates of the hour burden of the collection of information. The statement should: * Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Read the complete instructions on the form 83i.

The estimated burden hours for the collection of this data reflect the public housing authority’s (PHA) experience with inputting data into the form and that PHAs are required by federal regulation and local laws to develop an operating budget, to hold regular board meetings, and for the board to review and approve the PHA’s operating budget. HUD estimates that the annual information collection requirements for this collection for one form (form HUD-52574) averages 0.17 hours (10 minutes) per form for approximately 3,000 total responses for a total of 510 burden hours. The form asks the respondent, the PHA’s board chair, that they certify the board approved the PHA operating budget for each of the 6,300 public housing development. HUD estimates that it takes 1 hour to complete an operating budget for a total of 6,300 burden hours. For certain PHAs, HUD requires the PHA to update their budget with actuals five times a year. HUD may request up to five updated operating budgets with actual from PHAs. HUD estimates this request represents 25% of the total public housing developments, or 1,575 public housing developments. HUD estimates that it takes 1 hour to update an operating budget with actuals for a total of 4,500 burden hours.

The estimated annualized cost to respondents is based on the 2022 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 \$35.91 per hour.

Information Collection	Number of Respondents	Average Number of Responses per Respondent	Total Annual Responses	Burden Hours per Response	Total Burden Hours	X	Hourly Cost	=	Total Annual Cost
HUD-52574	3,000	1	3,000	0.17	510		\$35.91		\$18,314
PHA Operating Budget	3,000	2.1	6,300	1	6,300		\$35.91		\$226,233
PHA Operating Budget Actuals	350	5	4,500	1	4,500		\$35.91		\$161,595
Total	6,000		13,800		11,310				\$406,142

There no more than 6,000 total respondents, which are 3,000 PHA board chairs who complete the HUD-52574 and 3,000 PHAs that complete the PHA Operating Budgets and a slice of PHAs that complete Operating Budget Actuals.

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

There will be no additional costs to the respondents.

14. Estimate annualized costs to the Federal government.

The estimated annualized cost to the federal government is based on the 2022 general pay schedule for a GS-13, Step 1 rate for Washington-Baltimore-Arlington, DC-MD-WV-PA (an average salary for a management analyst) that is \$51.18 per hour. It is estimated that it takes 0.17 hours (10 minutes) to review each form and 1 hour to review a PHA operating budget and to review a PHA operating budget updated with actuals.

Information Collection	No. of Respondents	Total Annual Responses	Burden Hours per Response	Total Burden Hours	X	Hr. Rate	=	Annual Cost
HUD-52574	3,000	3,000	0.17	510		\$51.18		\$26,102

PHA Operating Budget	350	350	1	350		\$51.18		\$17,913
PHA Operating Budget Actuals	350	1,750	1	1,750		\$51.18		\$89,565
				Total				\$133,580

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

HUD made three changes to the collection.

- HUD included the burden hours and costs to the Public Housing Authority (PHA) to create the operating budget. The PHA is required to create an operating budget per 24 CFR 990.285. FMD and OFO does not have a budget form or specified format for the PHA to create or maintain their operating budget and updates with actual financial data. PHAs may use their own agency’s budget format or request assistance from their local PIH Field Office. This was not included in the last PRA submission.
- HUD added the burden hours to PHAs to update their operating budget with actuals at least five times a year.
- HUD added the burden hours and costs to HUD Field Office staff to review the operating budget and updated operating budget with actuals from PHAs

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

The information collection will not be published.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

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.

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

There are no exceptions to item 19 of the OMB 83-I.

B. Collections of Information Employing Statistical Methods