



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

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**Special Attention of:**

Public Housing Agencies;  
Public Housing Hub Office Directors;  
Public Housing Program Center Directors;  
Public Housing Division Directors;  
Regional Directors;  
Field Office Directors

**NOTICE:** PIH-2019-21 (HA)

Issued: August 2, 2019

Expires: Effective until amended,  
superseded, or rescinded

Cross References:

PIH-2017-11 (HA)

PIH-2018-13 (HA)

PIH-2016-14 (HA)

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**Subject: Guidance on Reporting Public Housing Agency Executive Compensation Information for Calendar Year 2018**

**1. Purpose.** This notice provides information and guidance on how public housing agencies (PHAs) are to use the HUD-52725 form to report executive compensation for calendar year 2018 (CY2018).

**2. Applicability.** The requirements in this notice apply to all PHAs that administer a public housing or housing choice voucher program regardless of the amount of compensation paid to an employee. This includes PHAs that have converted their entire public housing inventory via the Rental Assistance Demonstration (RAD) Program but still receive funding sourced from Section 8 or Section 9 of the U.S. Housing Act of 1937 (1937 Act) during CY2018. There are no exemptions from these requirements. The reporting requirements also apply to MTW agencies.

The definition of a PHA includes any other public or private non-profit entity that was administering a Section 8 tenant-based assistance program pursuant to a contract with HUD or a PHA on or prior to October 21, 1998, as noted in 24 CFR § 982.4(b).

**Submission of the HUD-52725 does not relieve any PHA of its duty to comply with the salary restrictions identified in the FFY 2018 Appropriations Act and PIH Notice 2016-14.** The FFY 2018 Appropriations Act states that no tenant-based Section 8 or Section 9 funds “may be used by any public housing agency for any amount of salary, including bonuses, for the chief executive officer of which, or any other official or employee of which, that exceeds the annual rate of basic pay payable for a position at level IV of the Executive Schedule at any time during any public housing agency fiscal year 2018.” (Section 223 of Pub. L. No. 115-141, 132 Stat. 348, March 23, 2018, FFY 2018 Appropriations Act.)

**3. Reporting PHA executive compensation using the HUD-52725 form.** PHAs must submit their CY2018 executive compensation data to HUD on the form HUD-52725. The HUD-52725 is a web-based form PHAs submit online through HUD's Secure Systems portal. After completing the HUD-52725 form, PHAs must confirm the information is accurate and click "submit."

HUD will send all PHAs an email with information for accessing the HUD-52725 form through Secure Systems along with submission instructions. *The HUD-52725 form will be available through October 18, 2019.*

The required compensation data is derived primarily from the PHA executive's annual Internal Revenue Service (IRS) form W-2.

The HUD-52725 form is comprised of three sections:

**Section I** of the form includes basic information identifying the PHA.

In **Section II** each PHA must identify the following (see Boxes 1 through 3):

- 1) the top management official (e.g., the executive director, Chief Executive Officer (CEO), or person with similar duties);
- 2) the top financial/accounting official (e.g., the chief financial/accounting officer (CFO), or person with similar duties); and
- 3) ***all individuals*** who are paid an annual salary (including bonus) above the prevailing salary for level IV of the Executive Schedule.

#### IMPORTANT NOTES:

\*\* If the top management official and the top financial/accounting official are the same person, the PHA is to report information for that person and the next highest paid employee.

\*\* A PHA that has neither a top management official nor financial/accounting official **MUST** report compensation for its two highest paid employees.

\*\* If a PHA has two or fewer employees, the PHA is to report the information for all its employees.

To complete the HUD-52725 form, each PHA will use the total compensation figure reported on the PHA employee's IRS form W-2 for the PHA's reporting year. The PHA will further break down the W-2 reported figure into six components for each executive:

- 1) base salary from tenant-based section 8 and section 9 funds;
- 2) bonus compensation from tenant-based section 8 and section 9 funds;<sup>1</sup>
- 3) incentive and other compensation from tenant-based section 8 and section 9 funds;
- 4) base salary from non-section 8 (tenant-based) and non-section 9 funds;
- 5) bonus compensation from non-section 8 (tenant-based) and non-section 9 funds; and
- 6) incentive and other compensation from non-section 8 (tenant-based) and non-section 9 funds.

**Note:** If an executive's total cash compensation was not reported on a W-2, the PHA must still include that individual's name and title in Section II.

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<sup>1</sup> See PIH Notice 2016-14 for information on bonus compensation.

The PHA will complete **Section III** only if any of the individuals reported in Section II received cash compensation that was not reported on IRS form W-2 (for example, when cash compensation is reported on IRS form 1099, the covered individual does not receive a W-2).<sup>2</sup>

Please refer to the attached HUD-52725 form and instructions. This attachment will help you identify the information needed, but do not attempt to complete and submit this form. ***It is provided for reference and planning purposes only. At a later date, each PHA will receive an email instructing how to submit the data electronically as described in Section 3.*** Each PHA is responsible for ensuring the Executive Director's email address is correct in the PIH Information Center (PIC) system.

**4. Submissions.** For CY2018 compensation data, the period PHAs will be required to complete the HUD-52725 form online and submit their compensation data will begin on the date of this notice, and end October 18, 2019.

If Congress continues to impose the compensation restrictions in future fiscal years, for CY2019 and CY2020 compensation data, PHAs will be required to complete the HUD-52725 form online and submit their compensation data for both years in CY2021.

**5. Authority.** The collection is authorized in the Department of Housing and Urban Development Act (42 USC 3531 et seq.) (HUD Act). Under the HUD Act, HUD is provided general oversight and monetary authority over its funded programs. In particular, Section 7(r)(1) of the HUD Act (42 USC 3535(r)(1)) authorizes the Secretary to expend funds "for evaluating and monitoring" housing programs, including public housing and all other programs authorized under the 1937 Act and other HUD statutes, and for "collecting and maintaining data for such purposes."

Additionally, the government-wide regulations governing grants and cooperative agreements to state, local, and federally recognized Indian tribal governments provide for access to records. Federal awards made prior to December 26, 2014, will continue to be governed by HUD's regulations on access to records in 24 CFR § 85.42(e)(1) (April 1, 2013) and 2 CFR § 200.336(a). When the terms of a Federal award made prior to December 26, 2014, state that the award will be subject to regulations as may be amended and for Federal awards made on December 26, 2014 and after, the access to records provisions in 2 CFR part 200, subpart D govern.

**6. Penalty for PHA non-compliance.** If a PHA fails to comply with the PHA executive compensation reporting requirements, HUD may consider such failure to be a breach of the PHA's Annual Contributions Contract (ACC). In that event, HUD may also consider the PHA to be in substantial default of the ACC pursuant to 24 CFR § 907.3(a). Upon determining that there is a substantial default, HUD may take any action provided for under the relevant provisions of the ACC or in section 6(j)(3)(A) of the 1937 Act. In addition, failure to comply also may subject the PHA to enforcement actions authorized by 24 CFR §85.43 (April 1, 2013) and 2 CFR § 200.338, as applicable. These provisions apply to MTW as well as non-MTW agencies.

**7. Paperwork Reduction Act.** The information collection requirements contained in this document are approved by the Office of Management and Budget (OMB) under the

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<sup>2</sup> While HUD may not require PHAs to submit a copy of the employee's IRS form W-2, HUD may request further documentation verifying the reported compensation.

Paperwork Reduction Act of 1995, 44 U.S.C. 2501-3520. The OMB control number for this collection is 2577-0272. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to a collection of information unless the collection displays a currently valid OMB control number.

**8. Further information.** Inquiries about this notice should be directed to Rachel Karp (202-345-4238) and Eric Willis (202-475-8822) or via email to [PHACompensation@hud.gov](mailto:PHACompensation@hud.gov).

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R. Hunter Kurtz  
Assistant Secretary  
for Public and Indian Housing

Attachment