

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SALARIES AND EXPENSES, HOUSING AND URBAN DEVELOPMENT

BUDGET ACTIVITY 7: DEPARTMENTAL MANAGEMENT

SCOPE OF ACTIVITY

The Departmental Management activity includes the Office of the Secretary and Deputy Secretary and other staff offices under the Secretary's immediate direction, except the Office of Healthy Homes and Lead Hazard Control and the Office of Departmental Equal Employment Opportunity. The responsibilities of the Department are administered under the supervision and direction of the Secretary, who is responsible for the administration of all programs, functions and authorities of the Department. The Deputy Secretary assists the Secretary in the discharge of his duties and responsibilities, and serves as Acting Secretary in the absence of the Secretary. In addition to the Office of the Secretary and Deputy Secretary, this activity includes seven offices of highly specialized staff with Departmentwide responsibility for the following functions: participation of small and disadvantaged businesses in the contracting activities of the Department; public affairs; Congressional and intergovernmental relations; and administrative judicial proceedings. Collectively and separately, these offices are essential to the independent formulation and review of Departmental policy and the promotion and interpretation of that policy.

The attached charts display detailed staffing and workload estimates based on the Resource Estimation and Allocation Process (REAP) baseline data.

WORKLOAD

The Secretary, as head of the Department and as a Cabinet Member, is responsible for the administration of all programs, functions, and authorities of the Department; for the regulation of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation; for enforcing Federal Fair Housing law, educating the public on the rights and duties created by that law, and encouraging State and local governments and the private sector to assist the Federal Government in guaranteeing equal housing opportunities; and for advising the President on Federal policy, programs, activities relating to housing and community development, and equal housing opportunity. The Secretary formulates recommendations for basic policies in the fields of housing and community development and works with the Executive Office of the President as well as other Federal agencies in keeping economic and fiscal policies in housing and community development consistent with other Governmental economic and fiscal policies.

The Secretary meets with governors, mayors and other State officials, county executives and other local officials, and regional and neighborhood leaders, and assists the President in achieving maximum coordination among the various Federal activities which have a major effect upon urban, suburban, metropolitan, or rural housing and community development. The Deputy Secretary assists the Secretary in the performance of his duties and responsibilities, and serves as Acting Secretary in the absence of the Secretary.

The Office of Small and Disadvantaged Business Utilization is responsible for providing technical direction and coordination on all matters relating to the Department's participation in small and disadvantaged businesses in the contracting activities of the Department. The Office oversees the Department's small and disadvantaged business set-aside activity, and has Departmentwide responsibility for carrying out relevant authorities for the Department's Minority Business Enterprise (MBE) programs, including monitoring, evaluating and reporting MBE activities to the Secretary, the Congress, the President, and the general public. The Director of Small and Disadvantaged Business Utilization represents the Secretary before Congressional committees and at meetings on related program activities with Federal, State and municipal or private organizations. This Office was established in 1989 pursuant to the provisions of Section 15(k) of the Small Business Act, as amended (Sec. 221, P.L. 96-507).

The Office of the Assistant Secretary for Public Affairs advises the Secretary and Departmental staff on public and media relations, and coordinates the Department's efforts to keep the public informed of its actions. The basic mission of the Public Affairs staff is to publicize HUD policies and programs and to respond to inquiries from the press. The mission is accomplished through the Immediate Office of the Assistant Secretary which provides advice to the Secretary and principal staff members on matters involving HUD's communications with the public and the media; and the Office of Press Relations, which coordinates liaison between the Department and members of the media.

The Office of Congressional and Intergovernmental Relations provides services and information to the Congress concerning all programs and activities of the Department. The Office coordinates development of the Department's legislative program in cooperation with the General Counsel, and oversees the progress of the Department's legislative program in the Congress, assisting in resolving intra-departmental policy differences and differences between the Department and the Office of Management and Budget on legislative matters. The Office coordinates policy formulation and implementation, and serves as the principal contact with State and local governments, as well as public interest groups, to provide information regarding the Department's programs and initiatives.

The Administrative Law Judges are independent, impartial triers of fact in on-the-record hearings similar to trial judges conducting civil trials without a jury. Their jurisdiction includes housing discrimination cases arising under the Fair Housing Amendments Act of 1988; civil money penalties and Mortgagee Review Board cases arising under the Department of Housing and Urban Development Reform Act of 1989; fraud cases arising under the Program Fraud Civil Remedies Act; statutory and regulatory debarment cases; and a variety of other cases arising under laws and regulations providing for the Secretary or an administrative law judge to be the presiding official.

The HUD Board of Contract Appeals, pursuant to the Contract Disputes Act of 1978 (P.L. 95-563), acts for the Secretary as an independent forum for hearings and for the issuance of final decisions in all appeals by contractors from final written decisions of contracting officers. The decisions of the Board in these appeals are binding on the Department and the contractor, but can be appealed to the U.S. Court of Appeals for the Federal Circuit. In addition, the Board hears and makes determinations on behalf of the Secretary on administrative appeals relating to the debarment and suspension of contractors, Mortgagee Review Board decisions, and Departmental actions related to IRS offsets of tax refunds of individuals indebted to the Department. The Board has the flexibility to provide either a full trial with discovery, subpoenas, and formal trial procedures, or more informal, expedited hearings for appellants with small claims against the Department. All final decisions are written, and more than half of the Board's hearings are held in the appellant's city to accommodate small business and pro se appellants.

The Office of Departmental Operations and Coordination (ODOC) was established in 1997 and consists of senior level staff who have a broad range of cross-program experience in Departmental operations and management planning expertise to assist the Secretary and Deputy Secretary in their efforts to ensure that HUD policies and actions are consistent with the Department's continued management improvement. ODOC serves as staff support for the Deputy Secretary in discharging his duties for the Department. The Office also acts as a catalyst for the operational management agenda of the Secretary and Deputy Secretary, and ensures that improvement initiatives and management of daily operations are consistent with Departmental efforts to foster excellence in the delivery of program services to HUD customers. Beginning in FY 2001 the Field Labor Relations function was transferred to Headquarters with staff outstationed in the field. This staff is responsible for ensuring the proper and uniform administration and enforcement of construction labor standards pertinent to all HUD programs within the field office jurisdictions and for advising program managers on labor relations matters. Specific functions include processing wage requirements, conducting labor standards investigations and compliance reviews; determining maintenance wage rates for public housing agencies; providing technical assistance and guidance to local public agencies on labor standards/labor relations matters; promoting employment and training opportunities for the disadvantaged in HUD programs; preparing recommendations for sanctions against labor standards violations; and conducting Davis-Bacon residential wage surveys.

TRAVEL

Salaries and Expenses, Housing and Urban Development
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The table below identifies travel requirements unique to this activity. All travel for this activity is by Headquarters' staff.

| | ACTUAL 2001 | ENACTED 2002 | ESTIMATE 2003 | INCREASE + DECREASE - 2003 vs 2002 |
|-------------------|------------------------|-----------------|------------------|--|
| | (Dollars in Thousands) | | | |
| Travel (HQ) | \$546 | \$870 | \$870 | .... |
| Total..... | \$546 | \$870 | \$870 | .... |

The travel funding requested is in support of the travel by the Secretary and Deputy Secretary, and other senior staff in meetings with State and local officials and regional and neighborhood leaders. Travel by these officials promotes and assists the Administration and the President in achieving the President's and the Secretary's goals and priorities for the Department and in promoting maximum coordination among the various Federal activities in urban, suburban, and metropolitan, or rural housing and community development. It is necessary for officials to visit cities across the country to explain HUD's mission and the directions being taken to facilitate the public's access to HUD programs. Funding for the Office of Departmental Operations and Coordination is included in this request.

The increase of \$324 thousand from the fiscal year 2001 actual to the fiscal year 2002 estimate principally reflects the transfer of the Labor Relations function from Field Direction and Operational Support to the Office of Departmental Operations and Coordination in the latter part of fiscal year 2001. These funds will allow travel for the outstationed Labor Relations staff to monitor and provide technical assistance to client agencies, as well as cover headquarters staff participation in on-site technical assistance visits to the field offices.

The fiscal year 2003 estimate is level with the fiscal year 2002 enacted level.

CONTRACTS

The table below identifies the specific contracts unique to this activity and is followed by a brief description of each item.

| | ACTUAL 2001 | ENACTED 2002 | ESTIMATE 2003 | INCREASE + DECREASE - 2003 vs 2002 |
|---------------------------------|------------------------|-----------------|------------------|--|
| | (Dollars in Thousands) | | | |
| Data and Statistical Services . | .... | \$25 | \$25 | .... |
| Technical Services | \$69 | \$460 | \$460 | .... |
| Management Studies | \$24 | \$325 | \$325 | .... |
| Public Information Services ... | \$219 | \$220 | \$220 | .... |
| Training Support, Non-Fed. .... | .... | \$50 | \$50 | .... |
| General Support | \$675 | \$753 | \$753 | .... |
| Total..... | \$987 | \$1,833 | \$1,833 | .... |

a. Data and Statistical Services

The service includes data gathering for specialized housing programs. This contract provides for outside assistance in obtaining architectural, engineering or related studies of cost-efficient housing suitable for those with special needs. The data will be used to prepare recommendations based on an extensive amount of research

required to obtain statistical and related data on specialized housing and community development programs.

b. Technical Services

Data services provide important and timely information and assistance to senior staff in various offices such as: (1) Public Affairs--for preparation of press releases, speeches, background and briefing papers, "op-ed" pieces and other written material produced by the Office of Public Affairs; (2) HUD Board of Contract Appeals--to enable the staff to conduct legal research in the most cost efficient manner; and (3) Office of the Administrative Law Judges--for legal research to assist the Department's Administrative Law Judges in making rulings on pending court decisions.

The Office of Public Affairs must provide transcripts and electronic duplicates of media appearances by the Secretary, senior HUD officials, and top level executives of the Administration for analysis, and review by program, policy and field staff. The need also exists for services which enable the Office to communicate using current electronic technology. In an effort to provide a greater measure of news wire access, the Office has expanded coverage to include the Federal News Service. These kinds of services demand expertise in technology and constitute a special requirement for contract funds. The expanded areas of electronic news resources are expected to require additional funds to meet the Department's need for full coverage of issues regarding governmentwide reinvention and new directions.

The increase of \$391 thousand from the fiscal year 2001 actual to the fiscal year 2002 estimate principally reflects the transfer of the Labor Relations function from Field Direction and Operational Support to the Office of Departmental Operations and Coordination in the latter part of fiscal year 2001. The additional funds will be used to outsource review of contractor payrolls, conduct training for client agencies, and perform ongoing agency monitoring.

c. Management Studies

Management consulting services including evaluation, analyses, studies and other services, are needed to facilitate, support, and ensure effective implementation of HUD policies, programs, and departmental management initiatives.

d. Public Information Services

These funds are to provide for the distribution of news materials to media outlets within the Washington, DC metropolitan area. In addition, funds will provide for information outreach to the public with respect to the provisions of the Fair Housing legislation. This public education program will include new and expanded categories of discrimination, handicapped and familial status.

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These funds also provide for the development of audio-visual, print, and other communication materials to support the public communication needs of the Department. The funds are administered by the Office of Public Affairs in consultation with the program offices. The objective is to coordinate Departmental communication efforts for consistency with HUD goals and priorities, to ensure that all communication efforts are coordinated effectively, and to make sure that the vehicles produced reach their intended audiences with relevant and useful information.

e. Training Support

Professional training assistance is needed to provide expert support for outreach to small, minority and women business owners to include conference management, development and dissemination of materials. Training is also required for communications and media relations staff, as well as field staff with public affairs duties.

f. General Support Services

These funds are to provide for temporary contract personnel to meet short-term priority tasks needing highly skilled clerical and secretarial support; to enable the Office of Public Affairs to contract for various news-related gathering and dissemination of information regarding HUD programs and initiatives; and for contractual services in support of improvement initiatives and delivery of program services to HUD customers.

Detail of Departmental Management Staff Requirements

| Workload Guideline | Workload Indicator | ----- Fiscal Year 2002 ----- | | | | ----- Fiscal Year 2003 ----- | | | |
|---|----------------------------------|----------------------------------|--------------------------|---------------------------|-------------|----------------------------------|--------------------------|---------------------------|-------------|
| | | Underfunded Workload/ Allocation | Projected Accomplishment | Projected Unit Cost (Hrs) | FTE | Underfunded Workload/ Allocation | Projected Accomplishment | Projected Unit Cost (Hrs) | FTE |
| Departmental Management | | | | | | | | | |
| Policy Decisions | NA | | ... | ... | 22 | | ... | ... | 22 |
| Legislative coordination | NA | | ... | ... | 26 | | ... | ... | 26 |
| Liaison with State/local governments | NA | | ... | ... | 3 | | ... | ... | 3 |
| Public outreach/information | NA | | ... | ... | 18 | | ... | ... | 18 |
| Hearings/decisions | NA | | ... | ... | 14 | | ... | ... | 14 |
| Small business assistance | NA | | ... | ... | 5 | | ... | ... | 5 |
| Subtotal | | | | | 88 | | | | 88 |
| Headquarter Employment | | | | | | | | | |
| Office of Departmental Operations and Coordination | | | | | | | | | |
| Provide General Direction | NA | | ... | ... | 1.0 | | ... | ... | 1.0 |
| Support Activities | NA | 2 | ... | ... | 15.0 | 2 | ... | ... | 15.0 |
| Subtotal | | | | | 16.0 | | | | 16.0 |
| Office of Labor Relations | | | | | | | | | |
| Ensure Compliance with Prevailing Federal/Wage Requirements in all HUD programs | # of Field personnel Supported | 20 | 54 | 309.34 | 5.0 | 20 | 54 | 309.34 | 5.0 |
| Subtotal | | | | | 5.0 | | | | 5.0 |
| Web Team | | | | | | | | | |
| Provide Web Support to the Department | # of Account Requests or Updates | | 3,053 | 4.79 | 7.0 | | 3,053 | 4.79 | 7.0 |
| Subtotal | | | | | 7.0 | | | | 7.0 |
| South west Border Region, Colonias and Migrant/Farmworker Initiative | | | | | | | | | |

Detail of Departmental Management Staff Requirements

| Workload Guideline | Workload Indicator | ----- Fiscal Year 2002 ----- | | | | ----- Fiscal Year 2003 ----- | | | |
|--|--|----------------------------------|--------------------------|---------------------------|--------------|----------------------------------|--------------------------|---------------------------|--------------|
| | | Underfunded Workload/ Allocation | Projected Accomplishment | Projected Unit Cost (Hrs) | FTE | Underfunded Workload/ Allocation | Projected Accomplishment | Projected Unit Cost (Hrs) | FTE |
| Provide Support and Coordination for the Southwest Border Region, Colonias and Migrant/Farmworker Initiative | Level of Effort | 2 | N/A | N/A | 8.0 | 2 | N/A | N/A | 8.0 |
| Subtotal | | | | | 8.0 | | | | 8.0 |
| Total ODOC HQ | | | | | 36.0 | | | | 36.0 |
| Office of Labor Relations/Field | | | | | | | | | |
| Perform Monitoring Reviews | #of reviews completed | 125 | 500 | 33.41 | 6.0 | 125 | 500 | 33.41 | 6.0 |
| Establish Annual Wage Determinations | # of Annual wage determined/established (PHA and TDHE) | 326 | 2,500 | 19.21 | 20.0 | 326 | 2,500 | 19.21 | 20.0 |
| Perform Contractor Compliance Reviews | # of Compliance Reviews | 625 | 5,000 | 10.03 | 21.0 | 625 | 5,000 | 10.03 | 21.0 |
| Perform Administrative Functions | Level of Effort | | N/A | N/A | 7.0 | | N/A | N/A | 7.0 |
| Perform Technical Oversight and Management | Level of Effort | | N/A | N/A | 6.0 | | N/A | N/A | 6.0 |
| Subtotal | | | | | 60.0 | | | | 60.0 |
| Total ODOC | | | | | 96.0 | | | | 96.0 |
| Total | | | | | 184.0 | | | | 184.0 |

Detail of Departmental Management Staff Requirements

| | Estimate 2002 | Estimate 2003 | Increase + Decrease - 2003 vs 2002 |
|--|--------------------------|--------------------------|---|
| <u>Headquarter Employment</u> | | | |
| Departmental Management | 88.0 | 88.0 | 0.0 |
| Departmental Operations & Coordination | 96.0 | 96.0 | 0.0 |
| Total | 184.0 | 184.0 | 0.0 |

Detail of Departmental Management Staff Requirements

| | FTE | | | Increase + Decrease - |
|--------------------|----------------|------------------|------------------|--------------------------|
| | Actual 2001 | Estimate 2002 | Estimate 2003 | 2003 vs 2002 |
| Headquarters..... | 146.0 | 184.0 | 184.0 | 0.0 |
| Field | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 146.0 | 184.0 | 184.0 | 0.0 |

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EXPLANATION OF CHANGES FROM REAP REQUIREMENT TO 2002 CURRENT ESTIMATE

HEADQUARTER EMPLOYMENT

The immediate office of Departmental Operations and Coordination is under funded by two FTE. The major impact will be the delay in implementation of planned refinements to existing processes including the Compliance and Monitoring Program and the Quality Assurance Review Program.

The Southwest Border initiative is also under funded by two FTE. This will reduce the Department's development of measurable strategic goals and objectives, establishment of cross-program working groups, and performing special studies and projects. Since much of the work is done in the field, the reduction in FTE will result in less coverage of the border areas and fewer communities being served.

The impact of reduced staffing in the Office of Labor Relations to a level of 60 FTE limits the Department's ability to ensure that workers on HUD-funded/assisted construction jobs are properly compensated, to provide client access to technical assistance and training, and to promote, facilitate and implement job training, apprenticeship and employment initiatives.

FIELD EMPLOYMENT

Departmental Management has no field employees. Field activities are performed by staff outstationed from Headquarters.

EXPLANATION OF CHANGES FROM 2002 CURRENT ESTIMATE TO 2003 ESTIMATE

No change is proposed for fiscal year 2003.