

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
SALARIES AND EXPENSES, HOUSING AND URBAN DEVELOPMENT
BUDGET ACTIVITY 10: GENERAL COUNSEL

SCOPE OF ACTIVITY

The General Counsel, as the chief legal officer of the Department, is the legal adviser to the Secretary and other principal staff of the Department. It is the responsibility of the General Counsel to provide legal opinions, advice and services with respect to all programs and activities, and to provide counsel and assistance in the development of the Department's programs and policies.

Through the Departmental Enforcement Center (DEC), the General Counsel focuses on and resolves the Department's most difficult housing cases by taking aggressive action against those that are in serious non-compliance with regulatory and business agreement requirements. Suspension and debarment authority are consolidated in the DEC.

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

KEY PRIORITIES

1. RESPA Reform. The Office of General Counsel (OGC) is providing support to the Departmental goal of making the home buying process less complicated, the associated paperwork less demanding and the mortgage process less expensive. We are assisting the Department in finalizing and implementing the Proposed RESPA Reform, in developing legislative proposals that complement the RESPA regulatory reform effort, in developing and implementing other RESPA initiatives, which may include: finalizing the RESPA transfer of servicing proposed rule; implementing RESPA internet lending rules; developing guidance on captive title reinsurance; and other possible RESPA initiatives. We are also providing regulatory assistance to the Department in proceeding with the RESPA Reform rulemaking that commenced with the proposed rule published on July 29, 2002, and continue to provide legal advice on the appropriateness of any communications concerning next RESPA steps.
2. Predatory Lending. OGC is providing legal support to FHA in amending its rule which precludes FHA insurance on single family loans secured by properties transferred within 3 months, with its implementation of a rule making appraisers and lenders strictly accountable for the accuracy of appraisal work in order to ensure that FHA requirements are met, in publishing guidance and restrictions on excessive fees and points, and for increased RESPA enforcement. OGC will assist the Department in implementing anti-predatory lending initiatives including HUD program initiatives and guidance. OGC will continue to work with the Office of Housing in developing regulations that strengthen accountability in several areas of the FHA mortgage insurance process (for example, accountability by appraisers, inspectors, etc.) and to provide legal advice on civil rights implications of predatory lending practices.
3. Expand Homeownership Opportunities. OGC will provide legal advice to CPD in carrying out the American Dream Downpayment Initiative (ADDI) legislation, and related formula and requirements, and to PIH in implementing Section 8(y) homeownership opportunities. We are also developing and reviewing legislation to restructure the regulation of the Government Sponsored Enterprises (GSE), including drafting and reviewing legislative provisions related to HUD's GSE housing goal and other regulatory authorities. OGC is supporting GNMA in connection with its Mortgage-Backed Securities Program, its Multi-class Program, and in connection with the Targeted Lending Initiative. OGC is assisting the Department in developing and issuing a proposed rule containing new housing goals for the GSEs and other regulatory revisions necessary to carry out the Department's GSE regulatory responsibilities and in monitoring and enforcing GSE compliance with HUD established low- and moderate-income housing, central cities, and special affordable housing goals, and other HUD requirements under HUD's GSE regulatory authority. We are assisting the Office of Housing with investigating and bringing appropriate enforcement actions under the

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Manufactured Housing Construction and Safety Standards Act; in developing and implementing Congressionally mandated national programs for the manufactured housing dispute resolution program and the manufactured housing installation program; with analyzing and implementing regulatory recommendations of the Consensus Committee; as well as with the administration and enforcement of the Interstate Land Sales Full Disclosure Act. We are providing legal support to FHA on issues related to endorsing loans for FHA single-family mortgage insurance, including implementation of statutory provision, if enacted, for insuring mortgages with 100 percent loan-to-value ratios, and for insuring mortgages made by higher risk borrowers; for implementation of its TOTAL Scorecard by mortgagees, including loans to first-time and minority homebuyers as well as homebuyers in underserved areas; on issues relating to loss mitigation, including a new treble damages rule; to increase the number of homebuyers who receive purchase counseling and homeowners who receive default counseling to avoid foreclosure; and for REO sales to owner-occupants. OGC will continue to provide legislative and regulatory assistance to the Office of Housing and the Manufactured Housing Consensus Committee to revise regulations to update construction and safety standards for manufactured housing.

4. Expand homeownership opportunities for minorities and persons with disabilities. OGC will provide advice in establishing legally appropriate mechanisms for asset management, including foreclosures, in the section 184 guarantee program; in ensuring that barriers to housing opportunities for minorities and persons with disabilities are addressed; in increasing insurance endorsements for first-time and minority homebuyers as well as homebuyers in underserved areas; in ensuring grantee compliance with affirmatively furthering fair housing requirements of assistance programs; and in carrying out the Department's authority to ensure compliance by the GSEs, in their operations, with Fair Housing/Fair Lending requirements. OGC will provide advice to the HUD programs to ensure appropriate incorporation of civil rights standards in program rules, regulations and procedures.
5. Increase the availability of affordable rental housing. OGC will provide legal support to GNMA in connection with the securitization of multifamily mortgages in the GNMA Mortgage-Backed Securities Program and Multi-class Program and in connection with the proposed eligibility to back GNMA guaranteed securities of multifamily mortgages guaranteed by the Rural Housing Service under Section 538 of title V of the Housing Act of 1949. We will provide legal support to FHA with issues related to endorsing loans for FHA multifamily mortgage insurance; with legal issues associated with ensuring that HUD-held loans 90 or more days delinquent are brought under control; and in connection with sales and closings of multifamily projects to third parties. OGC will work with the Office of Healthy Homes and Lead Hazard Control, to develop a comprehensive plan for ensuring compliance with recent revisions to lead-based paint regulations for HUD-assisted and HUD-owned housing.
6. Ensure compliance with HUD program requirements. OGC will provide support to all program offices, as needed, to ensure compliance by their participants with HUD requirements. Support will be provided through administrative enforcement proceedings or assisting the Department of Justice in Federal court litigation. OGC will also provide assistance in developing regulations or other requirements, such as mortgagee letters designed to promote greater integrity in HUD programs, or in assisting with other Departmental enforcement priorities. OGC will reduce the number of Multifamily referrals based upon physical condition in the Department Enforcement Center (DEC) as of September 30, 2004 by 85 percent; close a number of physical cases received in fiscal year 2005 equal to 80 percent of the number of physical cases received in the DEC between October 1, 2004 through April 1, 2005; complete recommendation (sanction notice) to participants for suspension and/or proposed debarment for 80 percent of the referrals received for indictment, civil judgment, conviction, and fact-based (e.g., audit, single-family monitoring review, investigative report) cases. OGC will defend HUD initiatives, statutes, rules and regulations that are challenged in the Federal courts.
7. Improve management accountability for public and assisted housing. OGC will provide legal advice to Housing and PIH regarding enhanced vouchers, statutory limitations, and other legal matters bearing on expiring section 8 contracts. OGC will provide legal advice to PIH for incremental vouchers, including NOFA and related competition issues; and for "Freedom to House" public and assisted housing reform proposals. OGC will continue to assist Housing in its approval and monitoring of Section 8 Project-Based Contract Administrators. OGC will also provide legal support to program offices on income verification, including participation in RHIIP and continued work on legislation that would authorize the HUD Data Match with the National Directory of New Hires.

8. Improve physical and related conditions in public and assisted housing. OGC will continue to provide legal advice and drafting assistance to PIH in the development of regulations that will establish the full regulatory framework for the Capital Fund program and as PIH considers changes to the Operating Fund Formula as a result of recommendations made by the Harvard University Graduate School of Design's Cost Study on Public Housing (the study of the cost of operating public housing). OGC will provide legal clearance for Public Housing demolition/disposition actions in the Field and at Headquarters; advice to PIH on HOPE VI demolitions and relocations; legal guidance for program guidance and case applications of use of Capital Funds as security for bonds for accelerated modernization of public housing; legal counsel to PIH in implementing PHAs' ability to mortgage and grant other security interests in public housing property under section 30 of USH Act of 1937; and training of HUD Field Counsel in uses of both the Capital Fund for accelerated modernization and the granting of PHA security interests under section 30. In support of HOPE VI/Mixed Finance, OGC will utilize OGC-drafted model documents and accomplish timely closings in accordance with PIH schedules. OGC will also provide legal guidance to PIH for development of new formula allocation for the Indian Housing Block Grant program. OGC will provide legal assistance to Housing in implementing statutory mixed finance opportunities for section 202 elderly housing and in ensuring that improved physical conditions comply with accessibility requirements in HUD regulations. OGC will reduce the number of Multifamily referrals based upon physical condition in the DEC as of 9/30/04 by 85 percent; close a number of physical cases received in fiscal year 2005 equal to 80 percent of the number of physical cases received in the DEC between 10/1/04 through 4/1/05; complete recommendation (sanction notice) to participants for suspension and/or proposed debarment for 80 percent of the referrals received for indictment, civil judgment, conviction, and fact-based (e.g., audit, single-family monitoring review, investigative report) cases.
9. Strengthen and expand Faith-Based and community partnerships. OGC will provide legal advice to program offices and to the Center for Faith-Based and Community Initiatives on constitutional and other legal support issues for HUD initiatives to equalize participation by faith-based organizations in HUD programs. This includes providing legal guidance in the implementation of CPD and HUDwide programs regulations equalizing faith-based entities' participation in programs. OGC will work with the Department's Center for Faith-Based and Community Initiatives in fashioning legal guidance on these regulations and other guidance materials that support the Administration's Faith-Based Initiative and further implement the President's Executive Order 13279, which provides the faith-based and community organizations should be able to compete on an equal footing for HUD funding. OGC will also provide legal advice to the Center for Faith-Based and Community Initiatives and to administering program offices on case problems that are presented in this arena.
10. Address homelessness. OGC will provide legal advice to CPD in the development of Continuum of Care SuperNOFA, in case problems under competition and thereafter; will provide counsel to optimize opportunities for flow of base closure property to homeless purposes in collaborative exercise with DOD mission and practice; and will draft legislation (Samaritan proposal and the Consolidated Homeless Plan proposal) that will effectively address the problem of chronic homelessness.
11. Improve HUD's management and internal controls, including FHA's financial management, and resolve audit issues. OGC will provide legal support to FHA to help maintain the 2 percent capital ratio for MMIF, to achieve its goal of averaging a set dollar amount as a net recovery per single family REO property sale, and to achieve its goal of exceeding the rate of recovery received through the Accelerated Claims Demonstration Program compared to REO property sales. OGC will review proposed Limited Denials of Participation (LDPs) and settlements of LDPs and provide counsel to field offices regarding the issuance and settlement of LDPs under 24 CFR Part 24. OGC will prepare legal representations letters in support of FHA's and GNMA's goals to complete their annual financial audits in accordance with the CFO Act of 1990. In support of improved debt management, OGC will complete a final draft and place into clearance a revision of 24 CFR Part 17, subpart C, HUD's rule that governs collection, compromise and write-off of debt owed to the Department and assist the Albany Financial Operations Center and selected Field Counsel in overseeing the Department's Administrative Wage Garnishment program. OGC will continue to assist CFO and relevant program offices to finalize action on longstanding, outstanding audits, especially those with Justice Department involvement. OGC will continue to work with the Office of Administration to bring the Department into full compliance with the Paperwork Reduction Act. OGC will continue to work with the program offices to maintain up-to-date delegations and to ensure timely quarterly publication of regulatory waivers granted by the Department, as required by the HUD Reform Act. OGC will work to enhance the requirements imposed on HUD program partners to conduct business in accordance with

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the Department's core values and ethical standards. OGC will also continue to work with the Secretary's Office and the Office of Housing in drafting legislation that improves the Administration's oversight of GSEs, and enhances and strengthens the GSEs' housing goals and work with the Office of Management and Budget on obtaining OMB approval of new and revised MAP closing documents, and provide regulatory drafting assistance for any revisions to closing documents or closing procedures that may necessitate revisions to existing regulations.

12. Improve accountability, service delivery and customer service of HUD and our partners. OGC will assist CPD in developing legally appropriate sanctions and other actions flowing from grantee monitoring. In support of the Department's Fair Housing initiatives, OGC will continue assisting FHEO in reviewing and revising handbook guidance to enhance credibility of enforcement efforts and conduct national training for HUD Fair Housing attorneys. OGC will assist FHEO in achieving its goal to continue to reduce its aged inventory of Fair Housing Act complaints. OGC will provide legal support and guidance to OMHAR in connection with a transition to its September 30, 2004 sunset date and with legal issues related to reducing rents and preserving housing for properties, and where appropriate, providing legal support for debt restructurings. OGC will provide legal support to FHA for ensuring that appraisals of properties that are to be security for FHA mortgages meet FHA standards, for monitoring mortgagee compliance with FHA loan origination and loan servicing requirements, and in its implementation of the FHA TOTAL Scorecard. OGC will provide legal advice to program officials and staff on regulatory and operational matters as requested, including assisting Housing with interpreting and implementing the amendments to the authorizing statute. OGC will also provide legal support and advice regarding the operation of the Manufactured Housing Consensus Committee (MHCC) in compliance with all legal requirements.
13. Ensure equal opportunity and access to housing. To help reduce housing discrimination, OGC will continue to issue Fair Housing Act charges of discrimination; litigate those Fair Housing Act charges before the Office of Administrative Law Judges; provide substantial legal assistance to FHEO during its investigation of Fair Housing Act complaints; work with the Department of Justice's Housing and Civil Enforcement Section on Fair Housing Act election cases and appellate activity involving Fair Housing Act cases; provide legal assistance to FHEO in its efforts to increase the public's knowledge of the design and construction requirements of the Fair Housing Act; review the First Amendment implications of certain fair housing claims; and resolve impasse cases between Regional Counsel and FHEO Hub Directors; assist FHEO in increasing the number of certified state and local fair housing enforcement agencies; and increase the number of compliance reviews under Section 504, Title VI and Section 109. To improve the accessibility of housing to persons with disabilities, OGC will provide legal assistance to FHEO as it increases its enforcement activity on behalf of persons with disabilities and as it increases its activities evaluating HUD fund recipient's compliance with Section 504, and determination of any necessary corrective action. OGC will provide legal guidance to CPD in adapting new OMB area definitions to existing, different statutory terminology so as to preserve intent of HOPWA formula funding. To improve housing options for the elderly, OGC will provide legal advice to Housing on conversion of section 202 projects to assisted living.
14. Support community and economic development efforts. To provide capital to create and retain jobs and improve economic conditions in distressed communities, OGC will provide legal advice to CPD on monitoring of EZs/Ecs; in adapting new OMB area definitions to existing, different statutory terminology so as to preserve intent of formula funding; in its provision and oversight of \$3+ billion of special disaster relief appropriations for New York City's post-9/11 recovery. In support of this effort, OGC will also provide legal assistance to FHEO in enforcing Section 3. To help communities more readily access revitalization resources, OGC will provide legal review of variable rate interim financing and fixed-rate financing of section 108 loan guarantees; provide legal advice on development of SuperNOFA and on case problems in the competition and thereafter; provide continued legal support for legislation that would authorize the Colonias Gateway Initiative; review and provide counsel regarding the expected clearance and publication of a revision of HUD's floodplain regulations in 24 CFR Part 55 to cover review procedures for projects proposed to be located in wetlands; and continue to work with CPD to implement regulations that will clarify the use of CDBG assistance for the cleanup, development or redevelopment of brownfields.

Headquarters staff performs the following principal functions in support of the accomplishment of these goals:

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- Drafting the Department's legislation, regulations, and other regulatory and legislative policy documents and managing and overseeing the Department's legislative and regulatory agendas.
- Assisting in the development and initial implementation of statutory, regulatory, and other administrative policy; this includes providing written opinions, oral advice, and drafting of regulations.
- Interpreting statutes, regulations, administrative guidance, and case law that govern the operation of Departmental programs; including providing oral and written legal guidance, preparation of correspondence on program legal matters, and drafting contracts and other legal documentation.
- Providing legal services to the Department's program offices including preparation of the administrative record; researching relevant case law; drafting affidavits, briefs and other filings; attending depositions, hearings and trials; coordinating with the Department of Justice, contracted counsel, and opposing counsel; and initiating and responding to settlement offers.
- Working with the program offices on regulatory enforcement including drafting subpoenas; conducting subpoena hearings; interviewing witnesses, preparing pleadings; and negotiating settlements.
- Performing legal work with respect to affirmative Federal Court litigation, administrative hearings, and sanctions initiated by the Department to enforce statutory, regulatory and contractual requirements applicable to participants in HUD programs and to other persons subject to HUD's programs.
- Taking enforcement action against property owners or contract administrators in cases where distressed multifamily properties are referred from the Real Estate Assessment Center, the Office of Housing, and other Program offices.
- Using administrative sanctions (suspension and debarment) to remove irresponsible participants who violate or abuse HUD's requirements.
- Advising the Chief Financial Officer and other Headquarters organizations on debt collection policies and strategies and enforcing collection in administrative and Federal Court forums.
- Reviewing and soliciting requests for new programs from the Department's program offices.
- Providing legal services for the Secretary's regulation of the Government Sponsored Enterprises (Federal National Mortgage Association and Federal Home Loan Mortgage Corporation).
- Providing environmental review of Departmental regulations, funding notices, and directives and draft provisions respective to environmental requirements.
- Providing legal services to the programs and functions of the Assistant Secretary for Administration, the Chief Financial Officer, the Inspector General, the Assistant Secretary for Public Affairs, and Assistant Secretary for Policy Development and Research.
- Recommending and implementing Departmental policy to ensure compliance with the Ethics in Government Act, the HUD Reform Act of 1989, the Federal criminal conflict of interests statutes under 18 U.S.C., and the Standards of Ethical Conduct regulation for employees of the Executive Branch.

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- Serving as Agency Representatives in administrative hearings before the Merit Systems Protection Board, the Office of Special Counsel, the Equal Employment Opportunity Commission, and the Federal Labor Relations Authority and assisting Assistant U.S. Attorneys in litigation actions filed in the Federal Courts.
- Performing all legal work in connection with compliance and enforcement activities under Department civil rights authorities, including Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act, the Age Discrimination Act, the Fair Housing Act, and Section 3 of the Housing and Urban Development Act of 1968, as amended.
- Processing and disposing of Freedom of Information Act (FOIA) requests and appeals and providing legal and technical guidance on FOIA issues to Headquarters program offices and to HUD field offices.
- Performing a central, coordinating role with respect to all litigation brought against the Department.

Legal support to the Department's field components is provided by 10 Legal Service Centers (each headed by a Regional Counsel) and 40 subordinate field offices. The staff in these offices performs the following principal functions in support of the accomplishment of OGC's goals:

- Working with the U.S. Attorneys in handling cases to which HUD is a party and participating with local government or private attorneys in handling cases involving HUD-assisted local governmental activities.
- Providing legal services with respect to the enforcement of civil rights laws and equal opportunity requirements applicable to HUD programs.
- Providing legal advice on a variety of administrative law issues including procurement, contract administration, Freedom of Information Act, Privacy Act, and delegations of authority.
- Providing legal advice and services on personnel issues, including misconduct, unsatisfactory performance, labor relations, equal employment opportunity, and other employment-related matters.
- Through the Federal Tort Claims Center, providing centralized handling of tort claims filed against HUD from throughout the country.
- Providing legal support and assistance to all Program offices' field staffs.

TRAVEL

The table below identifies travel requirements unique to this activity.

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	ACTUAL 2003	ENACTED 2004	ESTIMATE 2005	INCREASE + DECREASE - 2005 vs 2004
		(Dollars in Thousands)		
Travel (HQ)	\$800	\$1,227	\$1,235	+\$8
Travel (Field)	81	189	189	...
Total.....	881	1,416	1,424	+8

The proposed travel budget of \$1,424 thousand for the Office of General Counsel in fiscal year 2005 will support travel for both the Headquarters and field offices and will be used for travel supporting the Secretary's priorities associated with litigation activities, fair housing enforcement, program enforcement, ethics, maintaining and expanding the Office of General Counsel's role as the enforcement arm of the Department and to facilitate interaction between Headquarters and all field and satellite legal offices. Travel will be required for multiple site visits; detailed evaluations; to meet with owners; management agents; Assistant U.S. Attorneys; and Department of Justice attorneys. The requested amount will also provide for witness travel. Witnesses may be called to appear in enforcement proceedings in U.S. Courts throughout the Country.

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CONTRACTS

The table below identifies contract requirements unique to this activity.

	ACTUAL 2003	ENACTED 2004	ESTIMATE 2005	INCREASE + DECREASE - 2005 vs 2004
	(Dollars in Thousands)			
Technical Services	\$590	\$1,770	\$1,770	...
General Support	297	480	495	+15
Training	109	243	243	...
Total.....	997	2,493	2,508	+15

The proposed funding level for fiscal year 2005 is \$2,508 thousand. The following are descriptions of the type of workload that will be outsourced:

Technical Services

- Legal Services contracts provide legal support services that will assist attorneys in pursuing affirmative litigation against project owners receiving the benefit of FHA insured financing and/or Section 8 assistance.
- FEDLINK contract will be used to provide access to Westlaw and Lexis-Nexis legal research services.
- projects; descriptions of the projects' physical condition; analysis of current financial status; and recommendations for resolving the problems identified by the contractor.
- Contracts for court reporting services and transcripts are essential in deposing witnesses and taking affidavits in preparation for evidentiary proceedings.
- Financial analysis at various levels of expertise, including the analysis of financial statements, financial forecasting, and forensic accounting.
- Basic and advanced training in the proper procedures for closing multifamily loans.
- Personnel Law training, Fair Housing training, paralegal and legal technician training.
- Basic Multifamily asset management.
- Trial Advocacy and Administrative Proceedings and other legal specific courses. Also included in this category are courses in legal research, paralegal training, and legal skills for secretaries.
- Fraud Detection/Prevention generally offered through the Mortgage Bankers and USDA Graduate School.

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- Executive/Managerial/Supervisory training including Personnel Practices for Supervisors and a good introduction to supervision for a number of new supervisors.
- Training on various automated systems including Real Estate Management System (REMS) and our new reporting systems (such as DEC Management System and Compliance Tracking System).
- A series of courses offered by NCHM and Nan McKay Associates, such as Uniform Physical Standards training and Certified Housing Managers training.

General Support

This funding principally provides for contract temporary services for clerical, administrative and legal support in areas where a short-term critical need is identified.

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OFFICE OF GENERAL COUNSEL
 Personal Services
 Summary of Change
 (Dollars in Thousands)

<u>Personal Services</u>	<u>FTE</u>	<u>S&E Cost</u>
2003 Actual.....	699	\$69,391
2004 Appropriation/Request.....	693	70,697
<u>Changes Due To</u>		
2005 January Pay Raise.....	0	795
2004 January Pay Raise.....	0	725
Staffing increase/decrease.....	0	0
Other benefit changes.....	0	1,743
2005 Request.....	693	\$73,960

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OFFICE OF GENERAL COUNSEL
 Summary of Requirements by Grade
 Salaries and Expenses
 (Dollars in Thousands)

	2003 <u>Actual</u>	2004 Appropriation/ <u>Request</u>	2005 <u>Request</u>	Increase / <u>Decrease</u>
<u>Grade:</u>				
Executive Level IV	1	1	1	0
ES-6	3	3	3	0
ES-5	6	5	5	0
ES-4	1	1	1	0
ES-3	1	2	2	0
ES-2	1	1	1	0
ES-1	0	0	0	0
GS-15	108	108	108	0
GS-14	197	196	196	0
GS-13	148	148	148	0
GS-12	71	71	71	0
GS-11	40	40	40	0
GS-10	13	13	13	0
GS-9	23	23	23	0
GS-8	21	21	21	0
GS-7	30	30	30	0
GS-6	9	9	9	0
GS-5	9	9	9	0
GS-4	9	9	9	0
GS-3	3	3	3	0
GS-2	0	0	0	0
GS-1	0	0	0	0
Total Positions	694	693	693	0
Average ES Salary	\$132,442	\$131,900	\$131,900	0
Average GS Salary	\$63,877	\$66,496	\$67,493	+\$997
Average GS Grade	12.4	12.4	12.4	0

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Summary of Requirements by Object Class
Salaries and Expenses
(Dollars in Thousands)

<u>Object Class</u>	<u>2003 Actual</u>	<u>2004 Appropriation/Request</u>	<u>2005 Request</u>	<u>Increase/Decrease</u>
Personal Services.....	\$69,391	\$70,697	\$73,960	+\$3,263
Travel and Transportation of Persons.....	881	1,416	1,424	8
Transportation of Things.....	0	0	0	0
Rent, Communication & Utilities.....	0	0	0	0
Printing and Reproduction.....	45	126	127	1
Other Services.....	997	2,493	2,508	+15
Supplies and Materials.....	121	122	123	+1
Furniture & Equipment.....	10	0	0	0
Insurance Claims & Indemnities.....	269	187	188	+1
Total Obligations.....	\$71,714	\$75,041	\$78,330	+\$3,289

**OFFICE OF GENERAL COUNSEL
 Performance Measurement Table**

Program Mission: The Enforcement Center promotes program integrity, management accountability and the physical and financial viability of HUD insured and assisted housing by taking effective and aggressive civil or administrative enforcement action against those who violate or abuse HUD's requirements.					
Performance Indicators	Data Sources	Performance Report		Performance Plan	
		2003 Plan	2003 Actual	2004 Enacted	2005 Plan
Reduce the number of multifamily physical cases in the DEC as of the end of the previous fiscal year.	REMS	80 percent	91 percent	85 percent	N/A
Issue sanction notices for suspension and/or proposed debarment for cases referred for indictment, civil judgment or conviction and for fact-based cases.	Compliance Tracking System	75 percent	87 percent	75 percent	N/A
Close 75 percent of all Mortgagee Review Board cases that have reached the "dispatch of 30-day letter" stage that are pending in DEC on October 1, 2002.	MRB System	75 percent	80 percent	Moving to Housing	Moved to Housing
By fiscal year 2005, the DEC will increase the percentage of residents living in acceptable insured and/or assisted housing, by taking aggressive civil or administrative enforcement actions.	REMS	N/A	N/A	N/A	95 percent

Explanation of Indicators

The first indicator for fiscal years 2003 and 2004 above reflects the DEC's focus on Multifamily Housing physical referrals to assure that HUD insured and subsidized properties are in good condition and repair. By addressing the carryover inventory from the previous fiscal year, the DEC's actions prompt owners to correct their projects' poor physical conditions, or face enforcement actions. For fiscal year 2005, the indicator has been changed to be more outcome focused.

Overall Summary of General Counsel Staff Requirements

	Estimate 2003	Estimate 2004	Estimate 2005	Increase + Decrease - 2005 vs 2004
Headquarters.....	426.0	420.1	420.1	0.0
Field	273.0	273.0	273.0	0.0
Total	699.0	693.1	693.1	0.0

Summary of General Counsel Staff Requirements

	Estimate 2003	Estimate 2004	Estimate 2005	Increase + Decrease - 2005 vs 2004
<u>Headquarters Employment</u>				
General Counsel				
Office of General Counsel, Offices of Deputy General Counsel, and Office of Appeals	20.8	20.8	20.8	0.0
Office of Litigation	38.2	38.2	38.2	0.0
Office of Assisted Housing and Community Development	26.6	26.6	26.6	0.0
Office of Finance and Regulatory Enforcement	35.8	35.8	35.8	0.0
Office of Insured Housing	30.8	30.8	30.8	0.0
Office of Legislation and Regulations	20.2	19.8	19.8	0.0
Office of Human Resources Law	31.8	31.8	31.8	0.0
Office of Fair Housing	20.0	20.0	20.0	0.0
Office of Program Enforcement	41.4	39.4	39.4	0.0
Enforcement Center				
Immediate Office	2.6	3.0	3.0	0.0
Information Technology Division	6.3	6.3	6.3	0.0
Administrative & Management Services Division	10.9	9.0	9.0	0.0
Office of Operations	9.2	9.2	9.2	0.0
Office of Special Programs - Compliance Division	7.7	7.7	7.7	0.0
Office of Special Programs - Mortgagee Review Board Division	2.7	0.0	0.0	0.0
<u>Satellite Offices (Atlanta, Chicago, Fort Worth, Los Angeles, New York)</u>	121.0	121.7	121.7	0.0
Total	426.0	420.1	420.1	0.0

	Estimate 2003	Estimate 2004	Estimate 2005	Increase + Decrease - 2005 vs 2004
<u>Field Employment</u>				
General Counsel				
10 Regional Field Legal Service Centers	273.0	273.0	273.0	0.0
Total	273.0	273.0	273.0	0.0

Detail of General Counsel Staff Requirements

Workload Guideline	Workload Indicator	Fiscal Year 2003			Fiscal Year 2004			Fiscal Year 2005				
		Projected Accomplishment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE
Headquarters Employment (General Counsel)												
Offices of General Counsel and Deputy General Counsels												
Providing program and policy support	NA	...	...	2.6		...	...	2.6		...	...	2.6
Providing oversight of Field legal services	NA	...	...	8.8		...	...	8.8		...	...	8.8
Providing operational guidance to Headquarters staff	NA	...	...	9.4		...	...	9.4		...	...	9.4
Subtotal				20.80				20.80				20.80
Office of Litigation												
Provide litigation legal and administrative support	NA	...	...	7.60		...	...	7.60		...	...	7.60
Provide Ass't Hsg/Fair Housing litigation services	NA	...	...	9.80		...	...	9.80		...	...	9.80
Provide Insured Hsg & Comm. Dev. litigation services	NA	...	...	4.20		...	...	4.20		...	...	4.20
Process HUD HQ FOIA Requests	NA	...	...	16.60		...	...	16.60		...	...	16.60
Subtotal				38.20				38.20				38.20
Office of Assisted Housing and Community Development												
Providing program and policy support		...	...	1.20		...	...	1.20		...	...	1.20
Providing Assisted Housing legal advice & services	NA	...	...	15.20		...	...	15.20		...	...	15.20
Priving community development legal advice & services	NA	...	...	10.20		...	...	10.20		...	...	10.20
Subtotal				26.60				26.60				26.60

Workload Guideline	Workload Indicator	----- Fiscal Year 2003 -----			----- Fiscal Year 2004 -----			----- Fiscal Year 2005 -----				
		Projected Accomplish- ment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplish- ment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplish- ment	Projected Unit Cost (Hrs)	FTE
Office of Finance and Regulatory Enforcement												
Providing Program and Policy Support	NA	...	...	2.80		...	...	2.80		...	...	2.80
Providing legal services regarding GSEs and RESPA	NA	...	...	16.00		...	...	16.00		...	...	16.00
Providing program compliance related legal services	NA	...	...	9.80		...	...	9.80		...	...	9.80
Acting as GNMA corporate counsel	NA	...	...	7.20		...	...	7.20		...	...	7.20
Subtotal				35.80				35.80				35.80
Office of Insured Housing												
Providing program and policy support	NA	...	...	1.20		...	...	1.20		...	...	1.20
Providing SF insurance-related legal advice and counsel	NA	...	...	14.80		...	...	14.80		...	...	14.80
Providing MF insurance-related legal advice and counsel	NA	...	...	14.80		...	...	14.80		...	...	14.80
Subtotal				30.80				30.80				30.80
Office of Legislation and Regulations												
Providing program and policy support	NA	...	...	0.00		...	...	0.00		...	...	0.00
Providing legal counsel regarding legislation	NA	...	...	10.20		...	...	10.00		...	...	10.00
Providing legal counsel regarding regulations	NA	...	...	10.00		...	...	9.80		...	...	9.80
Subtotal				20.20				19.80				19.80
Office of Human Resources Law												
Providing program and policy support	NA	...	...	3.00		...	...	3.00		...	...	3.00
Providing personnel law-related legal advice	NA	...	...	8.60		...	...	8.60		...	...	8.60
Providing ethics-related legal advice	NA	...	...	7.60		...	...	7.60		...	...	7.60
Providing administrative/procurement-related legal advice	NA	...	...	12.60		...	...	12.60		...	...	12.60
Subtotal				31.80				31.80				31.80
Office of Fair Housing												
Immediate Office - Providing Program and Policy Support	NA	...	...	0.00		...	...	0.00		...	...	0.00
Providing legal enforcement services to FHEO	NA	...	...	12.00		...	...	12.00		...	...	12.00
Providing legal compliance services to FHEO	NA	...	...	8.00		...	...	8.00		...	...	8.00
Subtotal				20.00				20.00				20.00

Workload Guideline	Workload Indicator	----- Fiscal Year 2003 -----			----- Fiscal Year 2004 -----			----- Fiscal Year 2005 -----				
		Projected Accomplish- ment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplish- ment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplish- ment	Projected Unit Cost (Hrs)	FTE
Office of Program Enforcement												
Provide Management and Support to the Office of the Chief Counsel	NA	---	---	6.2		---	---	6.2		---	---	6.2
Subtotal		---	---	6.2		---	---	6.2		---	---	6.2
Office of Program Enforcement - Program Enforcement Division												
Provide Management and Support to the Program Enforcement Division	# of MF/PIH/Lit/Bkruptcy cases	28	1023.00	13.7		28	1023.00	11.7		28	1023.00	11.7
Subtotal				13.7				11.7				11.7
Office of Program Enforcement - Administrative Proceedings Division												
Perform Review for Legal Sufficiency	# of RLS cases	172	53.00	4.4		175	53.00	4.4		172	53.00	4.4
Process Suspension Debarment Appeals	# of appeals processed	138	114.00	7.5		138	114.00	7.5		138	114.00	7.5
Process Credit Watch, Mortgage Termination, and Mortgagee Review Board Cases	# of cases	112	65.00	3.5		112	65.00	3.5		112	65.00	3.5
Process Civil Money Penalty Cases	# of CMP cases	26	283.00	3.5		26	283.00	3.5		26	283.00	3.5
Perform Case Administration and Related Requests	N/A	N/A	N/A	2.6		N/A	N/A	2.6		N/A	N/A	2.6
Subtotal				21.5				21.5				21.5
				41.4				39.4				39.4
Headquarters Employment (Enforcement Center)												
Immediate Office												
Managing the Departmental Enforcement Center	NA	---	---	2.6		---	---	3.0		---	---	3.0
Subtotal		---	---	2.6		---	---	3.0		---	---	3.0
Information Technology Division												
Provide Information Technology Support and Maintenance	Number of Systems/Sub-systems Supported	6	2,186.00	6.3		6	2,186.00	6.3		6	2,186.00	6.3
Subtotal				6.3				6.3				6.3
Administrative & Management Services Division												
Perform Administrative and Management Support Services for DEC HQ and Satellite Offices	Number of personnel supported	206	110.00	10.9		172	110.00	9.0		170	110.00	9.0
Subtotal				10.9				9.0				9.0
Office of Operations												
Providing operations support to the DEC & Satellite Offices	NA	---	---	9.2		---	---	9.2		---	---	9.2
Subtotal		---	---	9.2		---	---	9.2		---	---	9.2
Compliance Division												

Workload Guideline	Workload Indicator	----- Fiscal Year 2003 -----			----- Fiscal Year 2004 -----			----- Fiscal Year 2005 -----				
		Projected Accomplish- ment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplish- ment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplish- ment	Projected Unit Cost (Hrs)	FTE
Process Suspensions and Debarments	Number of suspensions and debarments	730	22.00	7.7		730	22.00	7.7		730	22.00	7.7
Subtotal				7.7				7.7				7.7
Mortgagee Review Board Division												
Process MRB Referrals	Number of mortgagee review board referrals	56	102.00	2.7		0	102.00	0.0		0	102.00	0.0
Subtotal				2.7				0.0				0.0
<u>Satellite Offices (Atlanta, Chicago, Fort Worth, Los Angeles, New York)</u>												
Perform Special Projects and General Administrative Functions	NA	N/A	N/A	22.4		---	---	23.1		---	---	23.1
Handle FASS Cases	Number of FASS Cases	5674	18.00	48.9		5690	18.00	48.9		5674	18.00	48.9
Handle PASS Cases	Number of PASS Cases	88	456.00	19.2		88	456.00	19.2		88	456.00	19.2
Handle EF Cases	Number of EF Cases	64	95.00	2.9		64	95.00	2.9		64	95.00	2.9
Handle EP Cases	Number of EP Cases	292	64.00	9.0		295	64.00	9.0		292	64.00	9.0
Process Civil Money Penalties (Non-submission of financial statements)	Number of CMP Cases	3878	10.00	18.6		3890	10.00	18.6		3878	10.00	18.6
Subtotal Satellite Offices				121.0				121.7				121.7
Subtotal OGC HEADQUARTERS				426.00				420.10				420.10
<u>Field Employment (General Counsel)</u>												
Regional Field Legal Services Centers												
Providing legal services on administrative law issues	# of administrative law issues	466	41.00	9.20		470	41.00	9.20		466	41.00	9.20
Providing legal services on CPD issues	# of CPD issues	538	19.00	4.90		538	19.00	4.90		538	19.00	4.90
Providing legal services on enforcement issues	# of enforcement issues	228	63.00	6.90		228	63.00	6.90		228	63.00	6.90
Providing legal services on civil rights issues	# of Title VIII/ADA/Sec. 504 cases	1844	31.00	27.40		1850	31.00	27.40		1844	31.00	27.40
Providing legal services on MF insurance issues	# of multifamily issues	3948	33.00	62.40		3965	33.00	62.40		3948	33.00	62.40
Providing litigation support	# of items of litigation	3122	20.00	29.90		3130	20.00	29.90		3122	20.00	29.90
Assisting TEAM HUD Activities	N/A	N/A	N/A	6.40		N/A	N/A	6.40		N/A	N/A	6.40
Providing legal advice on Native American programs	# of Native American issues	124	50.00	3.00		124	50.00	3.00		124	50.00	3.00
Provide legal advice on personnel/ethic law issues	# of opinions and items	166	199.00	15.80		166	199.00	15.80		166	199.00	15.80

Workload Guideline	Workload Indicator	----- Fiscal Year 2003 -----			----- Fiscal Year 2004 -----			----- Fiscal Year 2005 -----				
		Projected Accomplish- ment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplish- ment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplish- ment	Projected Unit Cost (Hrs)	FTE
Providing legal advice on procurement/contracting issues	# of procurement/contracting issues	90	54.00	2.30		90	54.00	2.30		90	54.00	2.30
Providing legal services on public housing issues	# of public housing issues	1180	34.00	19.20		1185	34.00	19.20		1180	34.00	19.20
Providing legal services on Section 8 issues	# of Section 8 items	258	36.00	4.40		258	36.00	4.40		258	36.00	4.40
Providing legal services on 202/811 issues	# of 202/811 program issues	1360	34.00	22.10		1360	34.00	22.10		1360	34.00	22.10
Providing legal services on SF Housing issues	# of SF Housing issues	1758	13.00	10.90		1758	13.00	10.90		1758	13.00	10.90
Providing supervisory, mgmt. and admin. support to Office of Ass't Gen Counsel	N/A	N/A	N/A	35.00		N/A	N/A	35.00		N/A	N/A	35.00
Providing legal services to MF Prop. Disposition	# of MF property disposition issues	8	2083.00	8.00		8	2083.00	8.00		8	2083.00	8.00
Providing legal service to major cases specific to office	# of issues associated with major cases	2168	5.00	5.20		2168	5.00	5.20		2168	5.00	5.20
Subtotal				273.00				273.00				273.00
Total				699.0				693.1				693.1