

Working Capital Fund

Working Capital Fund (WCF)

The Working Capital Fund (WCF)(42 U.S.C) was established pursuant to section 7 for the development of, modifications to, and infrastructure for Departmentwide information technology systems, and for the continuing operation of both Departmentwide and program-specific information systems. The following chart compares HUD's 2010 request with enacted funding levels for 2008 and 2009.

	2008 ACTUAL	2009 ENACTED a/	2010 REQUEST	2010 vs 2009 INCREASE +/ DECREASE -
From Appropriation Bill:				
Direct Appropriation	\$155,000	\$224,000	\$200,000	\$-24,000
Housing & Economic Recovery Act PL 110-289	...	1,500		-1,500
Subtotal	155,000	225,500	200,000	-25,500
Program Transfers:				
Salaries & Expenses	12,800
Tenant-Based Rental Assistance	6,494	7,929	0*	-7,929
Project-Based Rental Assistance	3,960	10,000	0*	-10,000
Public Housing Capital Fund	16,847	14,577	0*	-14,577
Community Development Fund	1,570	3,175	0*	-3,175
Housing Opportunities for Persons with AIDS (HOPWA)	1,485	1,750	0*	-1,750
HOME Investment Partnerships Program	3,465	4,200	0*	-4,200
Homeless Assistance Grants	2,475	2,675	0*	-2,675
FHA MMI	25,550	58,493	70,794	12,302
FHA GI/SRI	15,692
Disabled Housing	600	1,600	0*	-1,600
Elderly Housing	1,400	1,600	0*	-1,600
KDHAP/DVP Vouchers	100
Interagency Agreements...	0	2,000	100	-1,900
Subtotal	92,438	107,999	70,894	-37,105
Total	247,438	333,499	270,894	-62,605
Unobligated Balance: SOY	32,222	41,792	68,291	26,499
New Budget Authority	247,438	333,499	270,894	-62,605
Recovery: Prior Year Obligations	5,735	6,000	6,000	0
New Obligations	-243,603	-313,000	-325,000	-12,000
Subtotal	41,792	68,291	20,185	-48,106
Outlays (net)	227,598	262,598	287,000	24,402

a/ HUD's 2010 budget request seeks to replace individual program transfers for Information Technology (IT) development with project funding approved by the Secretary from a new Transformation Initiative account separately justified in this budget request.

APPROPRIATION HIGHLIGHTS - FISCAL YEAR 2010

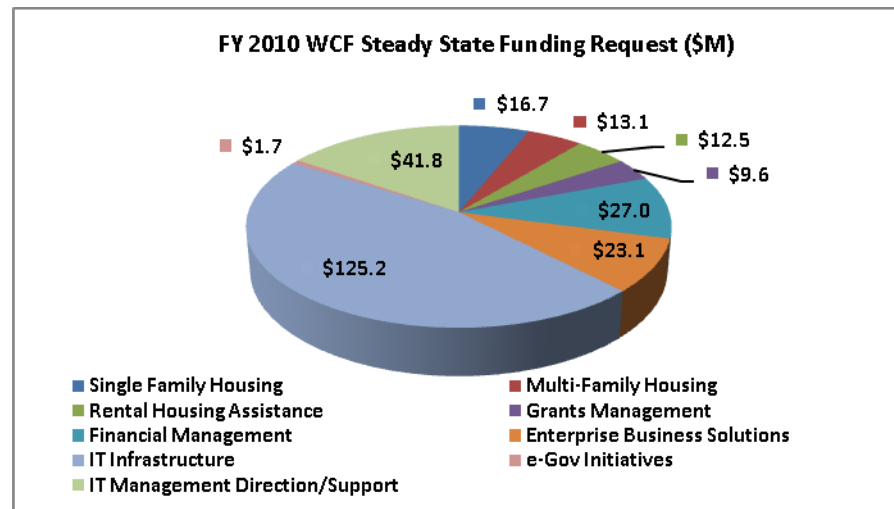
Summary of Budget Request

The fiscal year 2010 Working Capital Fund (WCF) request for the Department of Housing and Urban Development (HUD) is \$271 million to cover the steady-state operations and corrective maintenance of HUD's IT systems environment. The total steady state funding needs will be met with the combined funding of a direct WCF appropriation of \$200 million and \$70.8 million in FHA transfers. The \$271 million in total WCF funding will be applied to sustain current IT capabilities in each of the nine major areas of HUD's IT portfolio:

SUMMARY OF STEADY-STATE NEEDS FOR FISCAL YEAR 2010 AND PRIOR YEAR FUNDING COMPARISON

	<u>2008 ACTUAL</u> <u>(OP. PLAN)</u>	<u>2009 ENACTED</u>	<u>2010</u> <u>REQUEST</u>
LINE OF BUSINESS			
Single Family Housing	\$18.1	\$27.8	\$16.7
Multi-Family Housing	9.6	15.0	13.1
Rental Housing Assistance	23.0	22.1	12.5
Grants Management	11.4	16.4	9.6
Financial Management	45.4	53.0	27.0
Enterprise Business Solutions	19.4	21.1	23.1
e-Gov Initiatives	1.3	2.5	1.7
IT Infrastructure	112.8	132.6	125.2
IT Management Direction/Support	37.7	39.5	41.8
TOTAL	\$278.8	\$330.0	\$270.8

A break-out of the requested 2010 funding by these nine major areas is illustrated as follows:



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Funding the fiscal year 2010 steady-state request of \$271 million will assure that HUD can sustain current IT operations in support of meeting its present business needs. In parallel, the Department will pursue development, modernization and enhancement (DME) activities to ensure the delivery and quality of essential program and administrative services using funding provided by the Transformation Initiative, which is described in a separate justification. In the past, the WCF received a direct appropriation that was intended to cover: HUD's IT management expense; steady state costs of HUD's IT infrastructure and all systems application maintenance expense; and DME expense of any enterprise business system or small program system that did not receive a program transfer for IT development. Major program systems' DME efforts were planned to be funded from individual program funding transfers to the WCF, but those program transfers often had to be used to cover steady state expenses when the direct WCF appropriation was insufficient to meet HUD's fixed IT operating expense levels. This has caused a delay in long-needed program systems modernization efforts. Secretary Donovan has proposed a Transformation Initiative account to assure sufficient funds are available to develop, assess, deliver and enhance HUD programs, with the flexibility to use those set-aside funds for the program evaluation, technical assistance and IT development needed to transform HUD programs to be more efficient and effective for the American public we serve. Further information on the proposed use of Transformation Initiative funding for IT development is provided in the "IT Strategy" section, below. Information on the detailed use of the steady state funding of the WCF, and initial possible IT transformation efforts in each Line of Business, follow:

DETAILS ON STEADY-STATE NEEDS AND POTENTIAL TRANSFORMATION INITIATIVES - FISCAL YEAR 2010

Single-Family Housing LoB

The fiscal year 2010 steady-state funding request of \$16.7 million for the Single Family Housing LoB will cover the operating costs and basic maintenance of IT systems that enable HUD/FHA to deliver and oversee mortgage insurance to private lenders on loans for: the development/purchase/refinancing of new or existing homes, condominiums, and manufactured housing; financing of needed housing rehabilitation; and reverse equity mortgages to elderly homeowners. These programs and the existing IT systems that support them collectively back a growing mortgage insurance portfolio that currently serves over 4.8 million homeowners with mortgage insurance in-force valued in excess of \$562 billion.

This LoB is currently supported by 13 poorly integrated program systems, including large, 25-year old COBOL-based mainframe systems that are expensive to maintain and inflexible in meeting the changing business needs of FHA. Transformation Initiative funding will be sought to implement FHA systems modernization plans that were initiated in fiscal year 2009. In addition, FHA will require Transformation Initiative funding to support DME to address the increased risks of its efforts to assist in alleviating the national housing and economic crisis. IT systems changes will be required if FHA is to properly manage increased borrower risks during the housing and economic crisis, as well as the risks of opening FHA programs to new lenders, markets, and products.

LoB Profile

Number of Systems & Users (Approx)	FY08 Maintenance Releases (Corrective, Adaptive, & Perfective)	Data	Analytics	Communication
13 Systems 340,000 Users	221 Maintenance Releases	Collect Single Family Mortgage Insurance information use for Underwriting, Endorsement & Insurance in Force, Servicing, Premium Billing, Collection, and Refunds, Claims, Notes/Property/Participant Management, and Accounting and Financial Management	Support electronic endorsement of Single Family mortgages for insurance by FHA Support risk management at loan, lender and portfolio levels Support lender eligibility determinations and recertifications	Track and advertise Single Family properties (HUD Home for Sales) Provide Housing Counseling service to advice on buying a home, renting, default, foreclosure, credit issues or reverse mortgages

Multi-Family Housing Finance LoB

The fiscal year 2010 steady-state funding request of \$13.1 million for the Multifamily Housing LoB will cover the operating costs and basic maintenance of IT systems that support FHA's multifamily housing mortgage insurance programs and various project-based rental housing assistance programs, including the Section 8, Section 202 and Section 811 Programs. These programs and their underlying IT systems deliver and control a \$57 billion mortgage insurance portfolio and over \$10 billion in annual program outlays, which collectively serve to provide affordable housing to over 2.2 million low-income households.

Transformation Initiative funding will be sought for this LoB to shift from paper-based and manual processes to automated processing and electronic document management, including: (1) implementation of the Integrated Real Estate Management System (iREMS) to better manage the Multifamily Housing portfolio and (2) automation of the Section 8 Project-Based Assistance contract renewal and payment processes, with improved program budget forecasting.

LoB Profile

Number of Systems & Users (Approx)	FY08 Maintenance Releases (Corrective, Adaptive, & Perfective)	Data	Analytics	Communication
10 Systems 55,000 Users	46 Maintenance Releases	<p>Collect property location and description data that is used to categorize types of assistance and contractual terms and conditions</p> <p>Collect contract data for Section 8 contract renewals and payments</p> <p>Departmental enforcement data for properties and owners that fail to comply with regulated reporting requirements or compliance with health and safety issues or other terms</p> <p>Housing grants for construction/rehabilitation of housing for elderly and disabled (Section 202/811)</p> <p>Hospital construction loan insurance</p> <p>Program participant corporate histories that track past experience with other insured loans</p> <p>Loan applications for insurance</p> <p>Rent levels and rent adjustments</p>	<p>Regulatory compliance</p> <p>Performance tracking against departmental goals</p> <p>Loan viability, and risk determination</p> <p>Analyze data for enforcement actions for non-compliance, fraud, waste, or late reporting</p> <p>Budget projections</p> <p>Workload tracking and priority monitoring</p> <p>Provide assistance as it relates to capital advances to support the production of housing targeted to the elderly and disabled</p>	<p>Track and advertise excess federal civilian and military properties potentially able to be re-used by organizations helping the homeless as required by the U.S. Courts</p> <p>Inter-office transfer of information between Real Estate Assessment Center (REAC), Departmental Enforcement Center (OGC),</p> <p>Office of Assisted Housing Preservation, external business partners (Performance-based Contract Administrators)</p> <p>Correspondence to owners/agents regarding reporting requirements, items that are pending, and to alert them about automatic rent adjustments that are available for their property(ies)</p>

Rental Housing Assistance LoB

The fiscal year 2010 steady-state funding request of \$12.5 million for the Rental Housing Assistance LoB will cover the operating costs and basic maintenance of IT systems that support the core programs administered by HUD's Office of Public and Indian Housing (PIH), including the Section 8 Tenant-Based Housing Choice Voucher Program and the Public Housing Operating Fund and Capital Fund Programs. These programs and their underlying IT systems collectively serve to deliver and oversee nearly \$26 billion in annual funding to house 3.2 million low-income households, and to protect a \$120 billion federal investment in the low-income public housing stock. The web-based remote monitoring systems maintained by the PIH Real Estate Assessment Center collect, assess and disseminate information on the physical, financial and compliance conditions at over 44,000 HUD-assisted public and multifamily housing properties, and support computer matching operations to enable program administrators to verify the incomes of 4.8 million assisted households to avoid improper rental assistance payments.

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Transformation Initiative funding will be sought to execute pending plans to better utilize IT systems processing to improve the efficiency and effectiveness of the programs supported by this LoB. Some possible areas to be addressed by 2010 IT development efforts in this LoB include: (1) automating information on the \$17 billion a year Housing Choice Voucher Program, which is currently managed on Excel spreadsheets, (2) completing the extensive IT systems changes needed to fully and effectively implement the Public Housing Asset Management Program, (3) enhancing the Enterprise Income Verification System to improve its effectiveness in further reducing improper rental housing assistance payments, and (4) completing an enhanced physical inspection protocol for all HUD-supported public and assisted housing.

LoB Profile

<i>Number of Systems & Users(Approx)</i>	<i>FY08 Maintenance Releases (Corrective, Adaptive, & Perfective)</i>	<i>Data</i>	<i>Analytics</i>	<i>Communication</i>
13 Systems 50,000 Users	10 Maintenance Releases	<p>Collect data and report the actual state of repair and habitability on all public housing and multifamily properties in the HUD portfolio</p> <p>Maintain key data and controls for tenants, buildings, and units upon which PIH calculations and analytics rely</p> <p>Collect financial data about the status of property owners and their ability to meet loan payments and operating costs</p>	Verify tenant income for subsidy determination	Track and advertise excess federal civilian and military properties potentially able to be re-used by organizations helping the homeless as required by the U.S. Courts

Grants Management LoB

The fiscal year 2010 steady-state funding request of \$9.6 million for the Grants Management LoB will cover the operating costs and basic maintenance of IT systems that support CPD's formula and competitive discretionary grant programs--including the CDBG, HOME and Homeless Grant Programs--as well as other smaller competitive discretionary HUD grant programs. Collectively, these programs and their underlying IT systems deliver and oversee about \$8 billion in new grant awards each year. In addition, this LoB supports the delivery and oversight of the significant "supplemental" funding HUD receives for disaster recovery and economic stimulus, including the 13.6 billion received under the Recovery Act in 2009, and over \$20 billion in disaster funding since the Gulf coast hurricanes.

Transformation Initiative funding will be sought for this LoB to produce an enterprisewide solution for the agency's grants management. The initiative will: automate grants management processes that perform most of their operations manually; upgrade legacy systems; support a system that provides intake of applications from Grants.Gov, or an equivalent system, for all HUD competitive grants; and provide end-to-end grant program process support. New functionality to be pursued includes improved systems support for: grant application rating, ranking and selection processes; tracking and resolving monitoring findings, improved planning and reporting on program goals and results; and grant close-outs. These efforts will improve the delivery of HUD's core business functions by maximizing interoperability with Grants.Gov and other Federal and non-Federal systems. In addition, HUD will minimize redundancies by centralizing data storage, increasing data availability, and increasing service delivery by simplifying the process of HUD's extensive formula and competitive grants program activity.

LoB Profile

Number of Systems & Users(Approx)	FY08 Maintenance Releases (Corrective, Adaptive, & Perfective)	Data	Analytics	Communications
8 Systems 35,000 Users	21 Maintenance Releases	Collect grantee information used for Application Registration, Planning and Review, Selection and Scoring, Grant Awards, Draw-Downs or Financial Payments, Reporting, Community Assessment, Risk Analysis, and Performance Monitoring	<p>Support ability to initiate activities, drawdown grant money, track receipt and use of program income, and report program accomplishments</p> <p>Support the recovery process by allocating HUD Disaster Grants funds to offset the costs of rebuilding and rehabilitation</p> <p>Support the Continuum of Care program and select awardees for the following homeless assistance grant programs: Supportive Housing Program (SHP), Shelter Plus Care (SPC), and Section 8 Moderate Rehabilitation of Single Room Occupancy Dwellings(SRO)</p>	<p>Tracks surplus Federal Properties as ordered by the federal courts</p> <p>Initiate activities, drawdown grant money, track receipt and use of program income, and report program accomplishments</p> <p>Financial disbursements, tracking and grantee performance monitoring in real-time</p> <p>Help disaster victims find housing</p> <p>Assist CPD field office staff provide consistent in-depth monitoring of grantees</p>

Financial Management LoB

The fiscal year 2010 steady-state funding request of \$27 million for the Financial Management Line of Business will cover the operating costs and basic maintenance of IT systems that support HUD's core budgetary accounting and general ledger reporting functions as well as the subsidiary ledger functions in FHA and Ginnie Mae. These systems support the business functions by which HUD manages, controls and reports the Department's financial resources associated with an annual budget of over \$43 billion and nearly three quarters of a trillion dollars in financial risk exposure associated with the FHA mortgage insurance and Ginnie Mae mortgage-backed securities programs. FHA's accounting is very complex in that they must maintain cohort accounting on millions of insured loans in multiple funds, and maintain sophisticated credit subsidy models, to comply with the Credit Reform Act. In addition, they support the premium collections, prepayment refunds, claims, and property management and disposition activity associated with an FHA mortgage insurance portfolio currently valued in excess of \$618 billion, for both single family and multifamily housing programs.

Transformation Initiative funding transfers will be sought for this LoB to complete the: (1) full integration of all FHA program feeder systems with the FHA Subsidiary Ledger, and (2) completion of the overall modernization effort for HUD's core financial systems through the CFO's HUD Integrated Financial Management Improvement Project (HIFMIP).

LoB Profile

<i>Number of Systems & Users(Approx)</i>	<i>FY08 Maintenance Releases (Corrective, Adaptive, & Perfective)</i>	<i>Data</i>	<i>Analytics</i>	<i>Communication</i>
22 systems 100,000 Users	242 Maintenance Releases	<p>Disburse over \$50 billion a year to liquidate HUD obligations. Produce accurate, timely financial statements for FHA, Ginnie Mae, HUD General Programs, and at the Consolidated Departmental level</p> <p>Produce budget execution reports for Treasury, OMB and the Congress</p>	<p>Monitor and report on funds execution by source year for HUD's general programs.</p> <p>Maintain cohort accounting and credit subsidy models to support FHA compliance with the Credit Reform Act.</p> <p>Submit to annual independent financial audits, with receipt of clean opinions.</p>	Track and report grants, subsidy, loan management activity as legislated by the law

Enterprise Business Solutions LoB

The fiscal year 2010 steady-state funding request of \$23.1 million for the Enterprise Business Solutions (EBS) will cover the operating costs and basic maintenance of IT systems and services that span the entire Department -- Headquarters and Field offices - as well as smaller HUD program systems not included in a major program line of business. The strategic integration of Investment Management and Enterprise Architecture principles through the EBS LoB implements HUD's IT Strategic Plans through effective Project Management, Data Quality Management, IT Security, and Departmental E-Government and Policy functions across all offices and HUD programs. Included in this Line of Business is the Human Resource Management business function that encompasses a comprehensive suite of processes, services and technologies to fully support the management of human resources across HUD. It encompasses career development and retention, contingent workforce management, education and training, personnel administration, recruiting, retirement management, skills management, time reporting and workforce acquisition and optimization.

LoB Profile

<i>Number of Systems & Users (approx)</i>	<i>FY08 Maintenance Releases (Corrective, Adaptive, & Perfective)</i>	<i>Data</i>	<i>Analytics</i>	<i>Communication</i>
40 Systems 55,000 Users	49 Maintenance Releases	<p>Provide HUD with enterprise address matching, data cleansing, and geographic data standardization services</p> <p>Ensure data security and data encryption across the enterprise to protect PII (Personal Identifiable Information) data "at rest" and "in transit"</p>	<p>Enable investigation and tracking of electronically discoverable information on HUD employees for pending litigations.</p> <p>Title VIII Automated Paperless Office Tracking System (TEAPOTS)/ TEAPOTS is an automated case management system that allows the processing of housing complaints and compliance reviews, as well as the tracking of these activities.</p> <p>Enable investigation and tracking of housing discrimination complaints and compliance reviews</p>	<p>Communicates Information on all IT systems to all HUD@Work users.</p> <p>Allows for communication from the Office of Public Affairs to media outlets.</p> <p>Allows for the distribution of HUD publications to the general public.</p> <p>Provides ability for the public to submit FOIA requests and to check the real-time status of their requests on-line.</p> <p>Allows for the transmission of payroll information from the National Finance Center to HUD systems that use the data for related business processes.</p> <p>The HUD Internet allows for the communication to the Public on all HUD programs.</p> <p>The HUD Intranet site allows for seamless and effective communications of HUD mission, training, and personnel related information.</p>

e-Gov LoB

The fiscal year 2010 steady-state funding request of \$1.7 million will support HUD's eGov LoB. Funding for this LoB will support the following e-Gov cross-agency initiatives: GovBenefits.gov (Managing Partner - DOL), Disaster Assistance Improvement Plan (Managing Partner - DHS/FEMA), E-Rulemaking (Managing Partner - EPA), Grants.gov (Managing Partner - HHS) and the Integrated Acquisition Environment (Managing Partner - GSA).

In addition, it is important to consider that these costs are constantly increasing. HUD continues to provide innovative solutions that meet Departmental priorities, promote transparency and accountability, and encourage participation in government. Through the framework established by the E-Government Act of 2002 and the on-going collaborative efforts with other Federal agencies, HUD is providing simple, easy-to-use governmental services and information that are accessible, effective, and less burdensome for our customers.

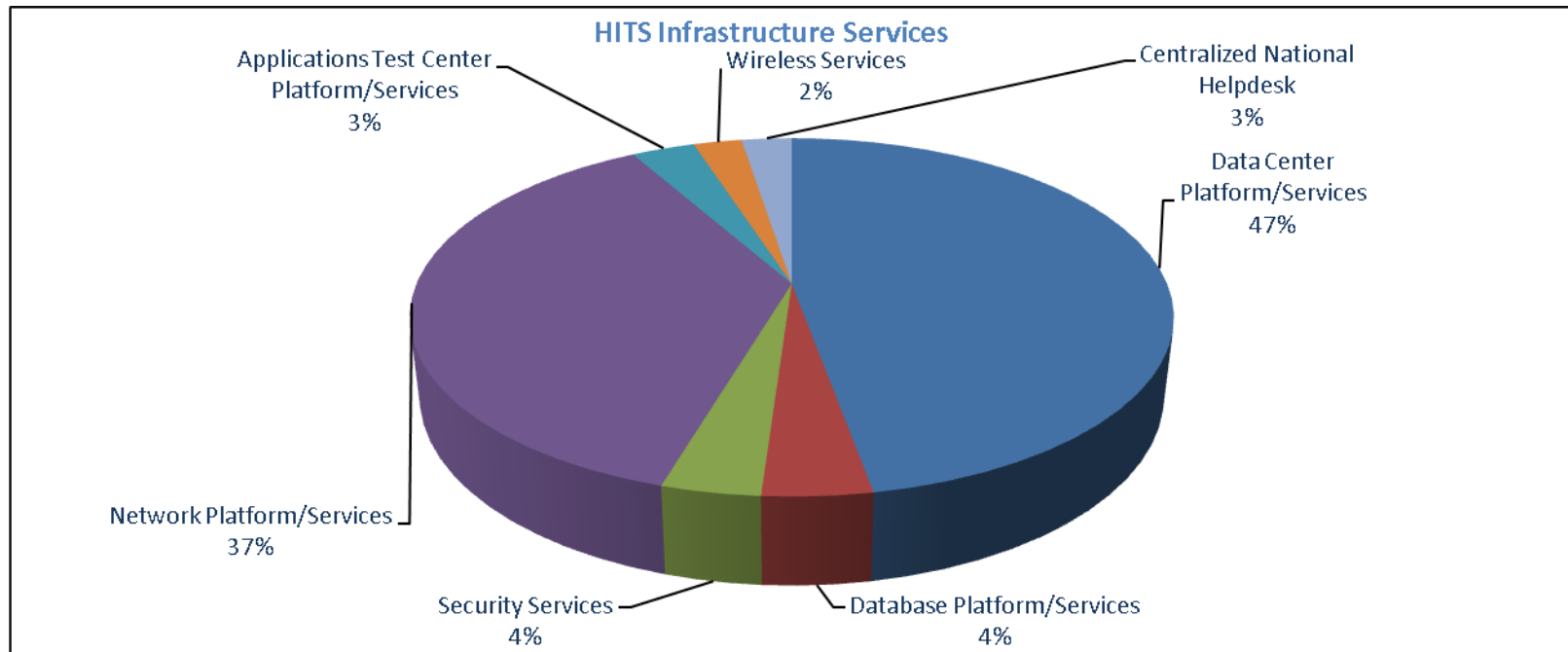
IT Infrastructure LoB

The fiscal year 2010 steady-state funding request of \$125.2 million will support HUD's IT infrastructure. HUD's IT Infrastructure provides the robust and agile framework needed to rapidly respond to dynamic business requirements. The HUD infrastructure provides enterprise-wide services support to HUD headquarters and 83 field offices, to include approximately 12,000 workstations (HUD employees, contractor support staff, conference and training rooms) and 242 business applications. The data center operates in a virtualized environment which provides capacity on demand, virtually zero down-time and rapid provisioning and deployment of new services. Robust security services are integral to all infrastructure platforms.

IT Infrastructure is delivered through the HUD Information Technology Service (HITS) contracts and provides a performance-based solution for enterprise-wide infrastructure services. A robust technology refreshment lifecycle is incorporated within the baseline costs of the HITS contract and ensures that the underlying infrastructure continues to meet HUD's business needs. HITS provides, business-driven technical solutions measured by Service Level Agreements. HITS contractors comply with all regulatory requirements and promote "green" IT initiatives. Thin client solutions are being evaluated to reduce power consumption and improve desktop security. The HITS contract is targeted for re-compete in fiscal year 2011 and planning activities have commenced.

HITS Infrastructure services include:

- **Data Center Platform/Services:** Data center hosting 242 business applications; consists of IBM and Unisys mainframes which host mission critical core business systems; and a Windows and SUN virtualized environment with over 700 servers; disaster recovery services with real-time data replication for the Department's mission critical business systems.
- **Database Platform/Services:** Support for over 250 databases (Oracle, Sybase and Microsoft SQL, DB2, IMS, UDS, DMS 1100, RDMS 1100)
- **Network Platform/Services:** Over 300 high speed wide area network circuits; nation-wide video conferencing services averaging 700 conferences annually; webcasting services averaging 100 annually; mobile/remote access services for approximately 3,000 customers; Virtual Private Network (VPN) services to approximately 55 business partners; email services for over 14,000 email accounts (individual accounts and generic/group accounts) processing over 1.5 million messages per day; email platform consists of 22 primary servers and 9 disaster recovery servers, with three year retention on all email messages; approximately 12,000 PC and Notebooks which are refreshed every 48 months; over 4,500 equipment installation/moves/changes annually; software currency and on-site technical customer support.
- **Application Test Center Platform/Services:** Support for approximately 700 application maintenance releases/corrective fixes into the production environment annually
- **Wireless services:** Support for Approximately 750 Blackberry devices and 450 broadband internet aircards
- **Centralized National Helpdesk:** Responds to an average of 12,000 support calls per month



Additional Infrastructure Services:

- **Independent Validation and Verification Services:** Performance monitoring and technical expertise for oversight and delivery of HITS infrastructure services
- **Disabled Accommodations:** Information technology support for disabled employees
- **FTS2001 Telecommunications Circuits**
- **Technical/Customer Liaison Support:** Provide support to HQ and 83 Field Offices (using HUD staff); Field support ratio is 103 customers to 1 IT Specialist; SharePoint Center of Excellence and Rapid Web Development Team which provides technical support for automation of business processes

Recent cuts in WCF funding are delaying HUD's efforts to modernize HUD business systems, resulting in delays in getting key Housing/FHA and financial systems off legacy mainframe platforms. The result is unplanned multiyear infrastructure cost increases with a current estimate of about \$10 million/year to retain the antiquated Unisys hardware on which these systems run.

As program Transformation Initiatives progress, the need for increased infrastructure capacity is anticipated. Those increased IT costs will be off-set by cost reductions experienced in transitioning from current manual and paper-based processes.

LoB Profile

Number of Systems & Users (approx)	FY08 Maintenance Releases (Corrective, Adaptive, & Perfective)	Data	Analytics	Communication
9 General Support Systems hosting 242 Business Systems 15,000 Users	713 Maintenance Releases	<p>Maintain an agile, scalable, redundant and secure IT infrastructure to ensure the integrity of the Department's business data</p> <p>Rapidly respond to litigation requests for electronically stored information (ESI)</p>	<p>Maintain robust business intelligence tools</p> <p>Integrate data through the use of web mashups to rapidly create new innovative applications with business relevance</p>	<p>Maintain internet presence that serves over 1.7 million unique visitors a month, providing information, services, and access to over 50 different applications 24 hours a day, 7 days a week to its customers.</p> <p>Improve the public's experience when doing business with HUD through a dynamic and interactive web portal</p> <p>Ensure increased demand for web-based HUD services can be accommodated without disruption to daily system operations</p>

IT Management Direction and Support (Salary & Expenses)

The fiscal year 2010 steady-state funding request of \$41.8 million will support personal services, including salaries, travel, supplies, and training, printing and related indirect costs. For fiscal year 2010, HUD is planning to slightly increase staffing within this budget in order to effectively implement an in-house enterprise business solutions approach to minimize reliance on future contractors. Additional support will also be needed for the pending IT modernization of the Financial Management Line of Business, and the need to re-compete the HITS infrastructure contract. The funding listed above enables the Department to support staffing levels for all IT-related functions in the Office of Chief Information Officer (OCIO), the Office of the Chief Financial Officer (OCFO) and the Office of the Chief Procurement Officer (OCPO).

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ROLE	FTE	RESPONSIBILITIES
Office of the Chief Information Officer	4	<ul style="list-style-type: none"> Facilitates HUD's IT Strategic Planning process and directly supports the office of the CIO.
Enterprise Architecture	9	<ul style="list-style-type: none"> Facilitates information-sharing among program offices; reduces systems diversity and helps simplify IT investment decision-making by illustrating the implications of business and IT decisions as well as ensures the acquisition of technologies that adequately support business and information needs
IT Investment Management	12	<ul style="list-style-type: none"> Acts as the IT capital planning and investment control focal point with OMB and GAO as well as identifies and implements ways in which to leverage IT to better support HUD's business operations.
Systems Integration And Efficiency	79	<ul style="list-style-type: none"> Acts as the central point for engineering and/or modernization of business information systems for internal and external customers in support of Department's mission, goals and objectives.
Policy And E-Government	13	<ul style="list-style-type: none"> Acts as liaison to Office of Management and Budget concerning the Department's IT policies and oversees the CIO's Presidential Management Agenda (PMA) scorecard activities as they relate to the Annual Performance Plan and other management plans
Security	9	<ul style="list-style-type: none"> Oversees protection of the confidentiality, integrity, and availability of information residing on, or processed by, HUD's information technology systems as well as assures the privacy of data related to HUD's customers, business partners, and employees
Administrative Services	12	<ul style="list-style-type: none"> Provides basic resource management in the areas of: personnel, space, training, travel, budget and other essential resource related needs of the OCIO workforce are managed as well as develops and monitors procedures for tracking and monitoring OCIO Working Capital Fund contract requests
IT Operations	7	<ul style="list-style-type: none"> Performs strategic planning for IT infrastructure service delivery Monitors performance of HUD's IT infrastructure service contractors Implements security programs, policies, and procedures to ensure the security, reliability and accessibility of HUD's information technology systems Ensures rigorous application testing to prevent problems prior to production Manages information technology system performance, operations, maintenance and customer satisfaction Provides IT consultative and customer service support to 83 Field Offices SharePoint Center of Excellence and Rapid Web Development Team which provides technical support for automation of business processes Enterprise training team to provide as required training on IT products and services
Host Platform Services	7	
Security Op Services	2	
OM And Desktop Support	11	
Customer Support	21	
Test Center And CM Support	5	
Field Services Support	67	
WCF Finance Division	10	
WCF Chief Procurement Office	15	<ul style="list-style-type: none"> Provides acquisition support for all IT contract actions

IT STRATEGY - FISCAL YEAR 2010

In a separate justification, HUD is requesting Congress to authorize an agencywide HUD Transformation Initiative Fund, to be funded by transfers from program accounts of up to 1.0 percent at the Secretary's discretion. The Transformation Initiative Fund can be used to supplement the steady state IT systems maintenance activities funded in the Working Capital Fund by providing any additional funding needed for IT systems development, modernization and enhancement. A portion of the \$433 million Transformation Initiative Fund requested for fiscal year 2010 will fund the development and delivery of adaptive maintenance changes, major enhancement or modernization of existing systems, and the development of new systems, all in support of the Department's effort to transform its programs and operations. These funds will provide HUD with the flexibility to invest in the areas of greatest programmatic and operational need. Funds for Technology Transformation initiatives will complement investments in IT systems made through the Working Capital Fund, across the following three areas of technology transformation:

Data transformation. The first priority is to complete a transformation of the way HUD captures and stores data. Comprehensive, timely and high quality data are essential for informing HUD's many stakeholders, both internal and external, about the efficiency and effectiveness of the Department's programs, funding recipients and staff. Data transformation begins with the need for HUD to standardize common data fields across program offices, an effort that has already begun. Simple "address data" offer the best example of the importance of standardization: in order to analyze the spatial distribution of fund awards, projects or outcomes across census tracts, metropolitan areas or Congressional districts, the locational data elements used to make those comparisons must be commonly defined and captured. In addition to ensuring that the data are consistent, HUD must ensure that it is collecting and storing data that enable it to evaluate programmatic and Departmental effectiveness. In other words, HUD must identify the correct inputs, activities, outputs and outcomes from its grantees and other partners. By establishing Department-wide data standards and ensuring it is capturing the right information from its grantees and other program participants, HUD can begin the process of migrating current systems, and developing new systems, to conform to these standards.

Analytic transformation. The second priority is to transform the way HUD uses data. From a management perspective, HUD must be highly focused on the day-to-day performance of its program participants and staff. Regular reporting on the key program inputs, activities, outputs and outcomes, for all Offices and at all organizational levels of the Department, must become the norm if HUD is to achieve its goal of becoming a data-driven agency. From a program perspective, HUD must ensure that it constantly evaluates the medium- and long-term ability of its programs to achieve desired outcomes. These same management and program evaluation goals are more clearly articulated in the Research, Evaluation and Program Metrics transformation initiative. Finally, from a planning perspective, HUD must continuously look across its programs, and ideally across agencies, to assess the effectiveness of investments at the neighborhood, city/county and state levels. Doing so will help HUD tailor its programs to complement, rather than compete with or substitute for, one another.

Communications transformation. The third priority is to transform the way HUD interacts with its many internal and external stakeholders. HUD is a deeply networked organization with many partners: the Congress, OMB, other Federal agencies, the American public, State and local elected officials, agency heads and program directors, community-based organizations, researchers, advocates, financial institutions, philanthropic organizations and developers, and program and contract business partners. This network offers a tremendous level of skills and experience which, if brought to its fullest potential, can transform the landscape of America's communities. The conditions for this transformation are nearly ideal. The ever-increasing importance of regional collaboration and innovation, combined with the economic crisis that has left resources in short supply, has highlighted the critical need for clear, real-time and interactive communication and information sharing. In addition, the significant focus on public transparency and accountability has led to unprecedented hunger for data and information. Internally, HUD can no longer afford to function within its traditional program silos, but must instead find ways to break down its organizational barriers to facilitate collaboration and drive innovation.

The separate justification for the Transformation Initiative Fund provides many examples of areas where IT transformation initiatives will improve the delivery and results of HUD's significant housing and community development programs.