

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

ADMINISTRATION, OPERATIONS AND MANAGEMENT

**OFFICE OF THE CHIEF FINANCIAL OFFICER**

The Office of the Chief Financial Officer (OCFO) is unique to the Department in that it has Departmentwide leadership and support responsibilities in the practice of sound financial management and stewardship of public resources. The scope of activity cuts across the entire Department. The CFO advises the Secretary and Departmental leadership on all aspects of financial management. The OCFO ensures that the Department establishes and meets financial management goals and objectives and that the Department is in compliance with financial management legislation and directives. The OCFO is responsible for the preparation, justification, monitoring, and execution of the Department's annual budget. In addition, the OCFO establishes policies and standards for development, maintenance, operation of financial system, and evaluation of the Department's financial management systems and systems of internal control, including compliance with OMB Circulars A-123A for assessing HUD's Internal Controls over Financial Reporting, and A-127 Financial Management Systems compliance reviews. The OCFO provides accounting and reporting services in support of the administrative and general program activities of the Department and prepares the Department's annual consolidated financial statements. The OCFO also has responsibility for performing monitoring and oversight duties for HUD's ongoing Front-end Risk Assessments (FERAs), and for overseeing Departmental implementation of the Federal Managers' Financial Integrity Act, the Federal Financial Management Improvement Act, and the Government Performance and Results Act, including preparation of the annual performance plan and the annual performance and accountability report. The OCFO also performs improper payments risk assessments and funds control compliance assessments, reviews (and recommends for approval) funds control plans for all HUD programs, conducts Anti-Deficiency Act investigations, and schedules and provides funds control training for HUD personnel.

The increased Governmentwide focus on improved financial and budgetary reporting, and accelerated production of consolidated financial statements in accordance with prescribed generally accepted accounting standards, requires a knowledge base, skill set, and grade structure that is currently a challenge for the OCFO. Given the CFO's critical Departmental cross-cutting responsibilities, it is imperative to establish and maintain well-trained, highly motivated, professional staff with specialized skills in all financial disciplines. In order to achieve the goals established by program, Departmental, and Presidential mandates, the OCFO has established an internal Human Capital Strategic Plan, which includes technical and leadership training, developmental opportunities, skill assessment, succession planning, and utilization of intern programs. With the implementation of the strategic plan, the OCFO will continue to ensure that the Department establishes and meets financial management goals and objectives, as well as remain in compliance with financial management legislation and directives in fiscal year 2013.

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	FY 2010 Actual	FY 2011 Actual	FY 2012 Enacted	FY 2013 Request	Increase/Decrease compared to FY 2012
Personal Services:	\$35,197,000	\$32,982,363	\$35,303,000	34,627,000	(\$676,000)
Non-Personal Services:					
Travel	134,159	53,847	135,000	124,000	(11,000)
Transp. Of Things	-	1,734	-	-	-
Rent, Communication, Util.	-	47,346	55,000	0	(55,000)
Printing	109,997	43,278	50,000	73,000	23,000
Other Services	12,032,247	10,712,106	12,382,000	12,730,000	348,000
Supplies	119,840	40,356	55,000	73,000	18,000
Furniture	-	-	-	-	-
Claims & Indemnities	-	-	-	-	-
Subtotal Non-Personal Services	\$12,396,243	\$10,898,667	\$12,677,000	\$13,000,000	\$323,000
Total	\$47,593,243	\$43,881,030	\$47,980,000	\$47,627,000	(\$353,000)
FTE	204.6	195.3	202.1	194.3	(7.8)

OCFO is

requesting 194.3 FTE's for fiscal year 2013 and \$47.6 million; this is a decrease from fiscal year 2012 of 7.8 FTE and a total increase in non-personnel service of \$323 thousand. This includes a realignment of 2 FTE to CFO, who were previously funded as part of the CIO salaries and expense budget. CFO will achieve this reduction by through attrition and this decrease will support efficiencies in the administrative offices while protecting Program Office FTE.

## Administration, Operations and Management—Office of the Chief Financial Officer

Travel. Funding is anticipated for the funds control plan compliance reviews; PALs training, HIAMS and new systems training for FedTraveler. Travel funding also includes associated costs for new supervisor's training; leadership team and conferences; work measures studies; and HIFMIP training. Reductions of travel dollars will result in fewer trips to our critical Ft Worth accounting center as well as restricting some training to local venues.

Rent, Communications and Utilities. Funding is needed to support NOBIS for bulk Mailroom Services. A decrease in service means HUD staff would have to perform mailroom duties. It will not be practicable for HUD staff to pick up this extra responsibility since there has already been a reduction of staff in Ft. Worth.

Printing. Funding is needed to support printing the strategic plan; PAR; HIFMIP Marketing Material and training materials; mass printing requisitions for OCFO; business cards and other printing requests. This is an area that has been reduced in recent years. Further reductions will limit distributions of critical documents to stakeholders.

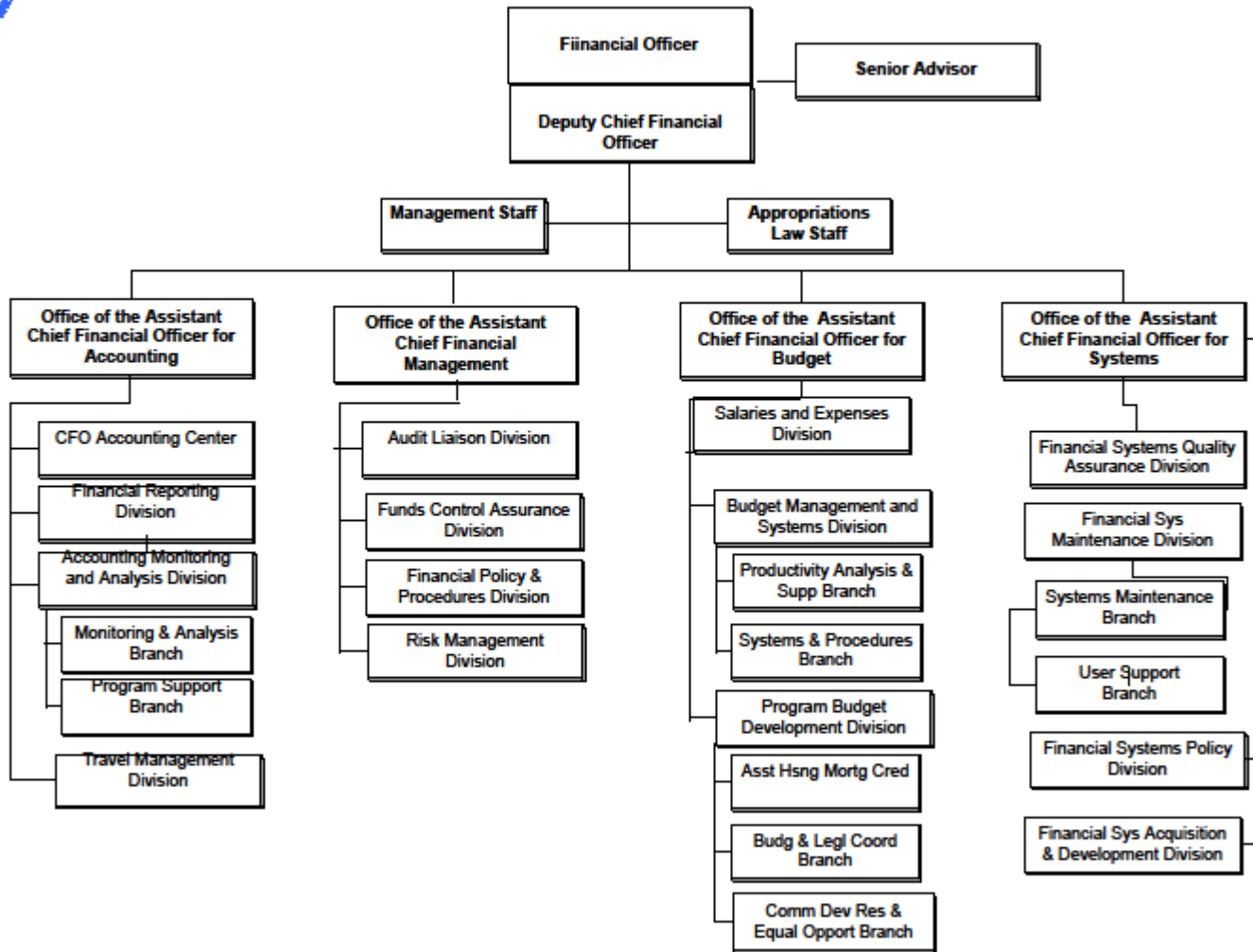
Other Services. Funding will support contracts for REAP studies and TEAM training, as well as IAA w/Census Bureau/FAADS/CFFR; IAA E-Gov Initiatives; and New IT Security Support; Bulk Mail Contract. Also, funding will be used for the OCFO Council and a new requirement for Credit Reform. Funding will support the execution of the A-123A Review of Internal Controls Over Financial Reporting and the A-127 Financial System Compliance Reviews. Funding will support the following: Fed Traveler; Fed-Traveler/HUD Specific Reporting and Reconciliation Requirements; Management Concepts; Ft Worth Access to PACER/Court Access to Electronic Records; and FWAC/Inefficiency Charges.

Training. Training is required to maintain professional knowledge in order to perform all job functions, continuing professional development to obtain and maintain certifications while enhancing professional performance and ensuring that the work products reflect the staff's ability/skills/knowledge to meet all requirements of the job, and to further career development as part of the Division's succession planning. OCFO currently requires training on new systems which are in the implementation stages (HIAMS, HIFMIP, and the new FedTraveler system which GSA is in the process of awarding). Reduction in training dollars will result in inadequately trained staff and inability to compete for "quality" candidates by offering training as a hiring incentive. The reduction in training also affects morale which in turn will affect the Employee View Point Survey.

Supplies. Funding is needed to support paper for printers and photocopy machines, supplies to support the OCFO mission.



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December 23, 2008