

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
PROGRAM OFFICE SALARIES AND EXPENSES
HOUSING**

The Office of Housing provides vital public services through its nationally administered programs. It oversees the Federal Housing Administration (FHA), the largest mortgage insurer in the world, and regulates housing industry business.

The mission of the Office of Housing is to:

- ▶ Contribute to building and preserving healthy neighborhoods and communities;
- ▶ Maintain and expand homeownership, rental housing and healthcare opportunities;
- ▶ Stabilize credit markets in times of economic disruption;
- ▶ Operate with a high degree of public and fiscal accountability; and
- ▶ Recognize and value its customers, staff, constituents and partners.

Within the Office of Housing are four business areas:

Single Family Housing

HUD's Single Family programs include mortgage insurance on loans to purchase new or existing homes, condominiums; and manufactured housing, houses needing rehabilitation, and for reverse equity mortgages to elderly homeowners.

Multifamily Housing

HUD's Multifamily programs provide mortgage insurance to HUD-approved lenders to facilitate the construction, substantial rehabilitation, purchase and refinancing of multifamily housing projects. The Section 202, Section 811, and Section 8 Project-Based Rental Assistance programs deliver services to low and very low-income families and individuals, including the elderly and persons with disabilities.

Healthcare Programs

HUD's Healthcare programs provide mortgage insurance on loans that finance the construction, renovation, acquisition, or refinancing of healthcare facilities such as hospitals and residential care facilities.

Housing Counseling

HUD's Housing Counseling programs provide counseling to consumers on seeking, financing, maintaining, renting, or owning a home.

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The table presents details on the total salaries, expenses and full-time equivalents (FTE) for Housing:

| TOTAL - SALARIES AND EXPENSES | | | | |
|--------------------------------------|------------------|------------------|------------------|------------------------------|
| (dollars in thousands) | | | | |
| | FY2012 | FY2013 | FY2014 | FY2012 to FY 2014 |
| Personnel Subtotal | \$378,057 | \$385,896 | \$374,666 | (\$3,391) |
| Non-Personnel Services | | | | |
| Travel | 3,316 | 3,600 | 3,600 | 284 |
| Rent, Communications, Utilities | 4 | 4 | 4 | 0 |
| Printing and Reproduction | 76 | 100 | 100 | 24 |
| Other Services | 2,423 | 2,596 | 2,399 | (24) |
| Training | 1,271 | 1,400 | 2,306 | 1,035 |
| Supplies | 318 | 300 | 300 | (18) |
| Non-Personnel Subtotal | 7,408 | 8,000 | 8,709 | 1,301 |
| GRAND TOTAL | 385,465 | 393,896 | 383,375 | (2,090) |
| Associated FTE | 3,142 | 3,155 | 3,020 | (122) |

DESCRIPTION OF CHANGE FROM FISCAL YEAR 2012 TO FISCAL YEAR 2014

Housing is requesting \$383,375K for S&E in fiscal year 2014, which is a decrease of \$2,090K and 122 FTE from fiscal year 2012. This fiscal year 2014 level assumes a .75 percent pay raise/Cost of Living Adjustment and funding for promotions and within grade increases.

Housing’s fiscal year 2014 Salaries and Expenses (S&E) request provides funds necessary to meet Departmental goals in the 4 main business areas spread across 22 separate functions.

- Non-Personnel Services spending in training has increased by \$906K to help employees meet new responsibilities, maintain employee credentials/certifications, increase innovation in strategies, incorporate new technologies, and make progress toward investing resources for training HUD employees.
- The 132 FTE decreases from fiscal year 2012 will be achieved through Housingwide efficiencies.

SUMMARY OF SYSTEMS/TOOLS REQUIRED TO MANAGE PROGRAM

FHA Transformation: the goal of this initiative is to develop and implement a modern financial services Information Technology (IT) environment to better manage and mitigate risk across all of FHA's Mortgage Insurance Programs. It will enable risk detection and fraud prevention by capturing critical data points at the front-end of the loan life cycle, and leverage the right set of risk and fraud tools, rules-based technology, and transactional controls to minimize exposure to FHA's Insurance Funds. It will provide decision-makers with higher quality data and lower data latency to facilitate enhanced business analytics and informed decision-making. This will enable FHA's leadership to analyze portfolio trends and patterns across the lending community and will help with the identification of fraudulent lenders and reduce risk in the FHA portfolio.

FHA Transformation Initiative will allow HUD to start the careful process of migrating relevant portions of Housing's legacy applications into a modern financial service automated environment. The use of existing commercial products will minimize operational risk as the functionality of the legacy applications are migrated into the new environment. The FHA Transformation Initiative will also help HUD manage credit risk prudently at the portfolio and loan level and will also help respond rapidly to changing market conditions. The FHA Transformation Initiative will help administer many aspects of the multifamily and health care insurance programs. For example, the monitoring and enforcement projects will allow the Office of Lender Activities to automate many processes that are currently manual. It will also bring a new level of intelligent rules-based activities such as automated risk analysis and lender targeting according to a risk scoring framework. The new Federal Financial Services Platform will be leveraged across other lines of business in the Housing program by migrating off the 30-year old Computerized Home Underwriting Management System (CHUMS). This will decrease the CHUMS footprint and therefore reduce operations & maintenance costs over the long term. The FHA Transformation Initiative will enable FHA to better recognize risk and fraud trends in borrower attributes, collateral attributes, and appraisal valuation accuracy during the transaction process, to help identify cases that may be detrimental to the Mutual Mortgage Insurance fund.

BUDGET AUTHORITY BY FUNCTION

Healthcare Asset Management and Recapitalization

Healthcare Asset Management and Recapitalization includes all activities associated with monitoring, loan servicing, claim prevention and (if a claim occurs) asset recovery in the insured hospital and residential care facility loan portfolio. This program: 1) conducts ongoing, extensive financial, operational, market, management, and on-site reviews of hospitals with FHA-insured loans; 2) identifies hospitals with declining performance and works with management, medical staff and governing boards to identify causes and encourage steps toward financial recovery, e.g. use of consultants to develop financial turnaround plans; 3) works intensively on hospitals placed on the Priority Watch List to explore solutions, including change of management, merger or acquisition; 4) if bankruptcy occurs, works with the Department of Justice and stakeholders toward a solution that protects HUD's mortgage insurance risk; and 5) if a claim occurs, recovers as many assets as possible to offset cost of the claim.

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| Healthcare Asset Management and Recapitalization | | | | |
|---------------------------------------------------------|----------------|----------------|----------------|--------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$7,425 | \$7,584 | \$7,530 | \$105 |
| Non Personnel Services | | | | |
| Travel | 189 | 220 | 220 | 31 |
| Training | 25 | 28 | 46 | 21 |
| Supplies | 7 | 6 | 6 | (1) |
| Non Personnel Sub-Total | 221 | 254 | 272 | 51 |
| GRAND TOTAL | 7,646 | 7,838 | 7,802 | 156 |
| Associated FTE | 62 | 62 | 61 | (1) |

FTE/Workload Summary & Summary of Change

- 26 FTE will be used to manage 115 loans in the insured hospital portfolio. This is the same FTE level as fiscal year 2012.
- 35 FTE will be used to manage the 2,761 residential care facilities loans. This is a 1 FTE decrease from fiscal year 2012.

Healthcare Policy Development

The Office of Health Care Programs performs the following functions to administer FHA Mortgage Insurance Programs: develops and updates policy related to all aspects of implementing the healthcare programs; in collaboration with the Office of Multifamily programs, provides oversight of FHA approved lenders; provides oversight and monitoring of staff for implementation of policy and procedures related to implementing FHA programs; conducts training for FHA lenders and Office of Healthcare Program (OHP) staff; ensures that adequate funding is provided for contract services such as inspections and other review functions required to implement the programs; provides technical support and assistance to OHP staff; manages the operation of Section 242 and 232 Loan Committees; and reviews regulatory waiver requests.

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| Healthcare Policy Development | | | | |
|--------------------------------------|----------------|----------------|----------------|--------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$1,083 | \$979 | \$996 | (\$87) |
| Non Personnel Services | | | | |
| Travel | 42 | 49 | 49 | 7 |
| Other Services/Contracts | 3 | - | - | (3) |
| Training | 4 | 5 | 7 | 3 |
| Supplies | 1 | 1 | 1 | - |
| Non Personnel Sub-Total | 50 | 55 | 57 | 7 |
| GRAND TOTAL | 1,133 | 1,034 | 1,053 | (80) |
| Associated FTE | 9 | 8 | 8 | (1) |

FTE/Workload Summary & Summary of Change

- 8 FTE will be used to provide leadership and oversight of healthcare policy development. This is a decrease of 1 FTE from fiscal year 2012.

Healthcare Production and Processing

Healthcare Production and Processing activities are associated with pre-application and full application review of applications for mortgage insurance for hospitals and residential care facilities. The production and processing includes providing customer service, initial contact with potential applicants, and receipt and review of Preliminary Review requests, informing potential applicants that they are/are not good candidates for the program, receipt and review of full applications, and making recommendations to the Commissioner to issue/not issue insurance commitments for proposed projects. Other activities include: 1) conducting extensive financial, operational, market, management, and on-site reviews of hospitals seeking mortgage insurance; 2) maintaining lender liaison and conducting lender training; 3) providing customer service to applicants; 4) using preliminary reviews to “weed out” hospitals that do not meet statutory, regulatory, or financial guidelines; 5) processing full applications and recommending that the Commissioner authorize or not authorize insurance commitments; and 6) conducting review and improvement of policies and procedures.

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| Healthcare Production and Processing | | | | |
|---------------------------------------------|----------------|----------------|----------------|--------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$9,146 | \$9,297 | \$9,211 | \$65 |
| Non Personnel Services | | | | |
| Travel | 189 | 220 | 220 | 31 |
| Training | 31 | 34 | 56 | 25 |
| Supplies | 8 | 8 | 8 | - |
| Non Personnel Sub-Total | 228 | 262 | 284 | 56 |
| GRAND TOTAL | 9,374 | 9,559 | 9,495 | 121 |
| Associated FTE | 76 | 76 | 74 | (2) |

FTE/Workload Summary & Summary of Change

- 50 FTE will be used to process 671 residential care facilities applications. This is a 2 FTE decrease from fiscal year 2012.
- 14 FTE will be used to review 92 hospitals construction projects. This is the same FTE level as fiscal year 2012.
- 5 FTE will be used to review 96 residential care facilities construction projects. This is the same FTE level as fiscal year 2012.
- 5 FTE will be used to process six fully insured health care applications. This is the same FTE level as fiscal year 2012.

Multifamily Asset Management and Recapitalization

This function within FHA multifamily programs at the headquarters level: develops policy related to all aspects of implementing asset management including handbooks, notices, guides, regulations, etc.; provides oversight and monitoring of field staff implementation of policy and procedures related to sponsor and owner obligations and responsibilities; monitors field achievement of goals and targets; and ensures compliance with HUD business agreements with respect to financial and physical requirements.

Field staff perform the following functions to administer the FHA multifamily programs: process Previous Participation requests, process transactions such as prepayment requests, transfer of physical assets, all regulatory waivers, Partial Payments of Claims and mortgage modifications and the disposition of assets; respond to correspondence, audits, and to other requests for information; conduct site visits, perform financial analysis, monitor projects' physical condition, handle tenant complaints and issues; conduct training and outreach sessions to our industry partners; process renewals of Section 8 housing assistance contracts, review request for budget-based rent increases, process contract opt-outs and requests to combine contracts, monitor service coordinator grants,

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approve requests to change management agents, review requests for releases from reserve accounts, monitor project use agreements, and input data to reporting systems.

With the expanded Rental Assistance Demonstration (RAD) authority to allow conversions of up to 150,000 units through fiscal year 2015, Housing will be expanding the roles within the existing office within the Multifamily Asset Management and Recapitalization function to execute the Rental Assistance Demonstration (RAD), which was established by Congress under the Consolidated and Further Continuing Appropriations Act of 2012 (P.L. 112-55), and other complex financial multifamily recapitalization transactions undertaken in the Office of Housing. The office will integrate multiple financing-related activities related to mandated or needed refinancing, restructuring, recapitalization and preservation of assisted multifamily properties, including RAD, that are currently dispersed across multiple offices and departments. The office will develop and refine applications, review and process such applications, and allocate various resources according to program requirements for recapitalization transactions. As such, it will coordinate and streamline multiple current review processes, committees and teams working on such transactions, including RAD. As the focus of the office will be on conducting recapitalization transactions, it will not assume any ongoing monitoring, review, oversight, reporting, inspection, troubleshooting or other functions related to asset management.

| Multifamily Asset Management and Recapitalization | | | | |
|----------------------------------------------------------|-----------------|-----------------|-----------------|--------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$81,585 | \$82,325 | \$84,377 | \$2,792 |
| Non Personnel Services | | | | |
| Travel | 476 | 452 | 452 | (24) |
| Other Services/Contracts | 485 | 585 | 585 | 100 |
| Training | 274 | 302 | 498 | 223 |
| Supplies | 69 | 65 | 65 | (4) |
| Non Personnel Sub-Total | 1,303 | 1,404 | 1,599 | 296 |
| GRAND TOTAL | 82,888 | 83,729 | 85,976 | 3,088 |
| Associated FTE | 678 | 673 | 678 | - |

FTE/Workload Summary & Summary of Change

- 281 FTE will be used to manage 14,597 properties. This is the same FTE level as fiscal year 2012.
- 255 FTE will be used to manage 9,843 projects. This is a 6 FTE decrease from fiscal year 2012.

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- 53 FTE will be used to provide leadership and oversight of all multifamily asset management projects. This is a 1 FTE decrease from fiscal year 2012.
- 6 FTE will be used to complete 124 restructures in the Multifamily-OAHP Preservation Production Office and to perform other processing required by the Rental Assistance Demonstration Program (RAD). This is a 14 FTE decrease from fiscal year 2012, due to the FTEs being moved to RAD.
- 38 FTE will be used to perform financial operations and business relations, and participate in the development of policy standards. This is the same FTE level as fiscal year 2012.
- 22 FTE will be used to administer 1,467 grants and 9 contracts, and perform relocation activities for 132 families. This is the same FTE level as fiscal year 2012.
- 23 FTE will be used to implement the Rental Assistance Demonstration Program, an increase of 23 FTE from fiscal year 2012, due to it being a new workload for Multifamily Housing.

Multifamily Grant Administration

The Section 202 Housing for the Elderly program helps non-profit organizations own and operate affordable housing with supportive services for very low-income elderly persons. With the Section 202 program, vulnerable elderly persons are more likely to have the affordable housing they need to effectively access community-based support and services to live independently and age in place, thereby avoiding more expensive institutional settings or at-risk settings such as homelessness. Section 202 funds under the Service Coordinator in Multifamily Housing program are also awarded to owners of certain multifamily housing projects to hire service coordinators to help link project residents to needed services as well as provide funds to directly fund services under the Congregate Housing Services program. Other programs for which Section 202 funds are provided include the Assisted Living Conversion program, where funds are provided to convert units in existing multifamily housing project to assisted living units, and the Demonstration Planning Grant program that awards funds to Section 202 sponsors to pay for some pre-development activities.

Section 811 Housing for Persons with Disabilities provides supportive housing for adults with serious and long-term disabilities, including physical or developmental disabilities as well as mental illness.

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| Multifamily Grant Administration | | | | |
|-----------------------------------------|-----------------|-----------------|-----------------|--------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$13,742 | \$14,434 | \$14,189 | \$447 |
| Non Personnel Services | | | | |
| Travel | 317 | 301 | 301 | (16) |
| Other Services/Contracts | 85 | 85 | 85 | - |
| Training | 46 | 51 | 84 | 38 |
| Supplies | 12 | 11 | 11 | (1) |
| Non Personnel Sub-Total | 460 | 448 | 481 | 21 |
| GRAND TOTAL | 14,202 | 14,882 | 14,670 | 468 |
| Associated FTE | 114 | 118 | 114 | - |

FTE/Workload Summary & Summary of Change

- 68 FTE is estimated to administer 329 Section 202/811 applications. This is the same FTE level as fiscal year 2012.
- 37 FTE will be used to administer 1,807 grants. This is the same FTE level as fiscal year 2012.
- 9 FTE will be used to provide leadership and oversight, monitor constructions, and process 31 waivers. This is the same FTE level as fiscal year 2012.

Multifamily Policy Development

HUD's Multifamily rental assistance programs provide FHA mortgage insurance to HUD-approved lenders to facilitate the construction, substantial rehabilitation, purchase and refinancing of multifamily housing projects. In fiscal year 2012, it is estimated that Multifamily Housing will insure a record \$15.7 billion in new loans for multifamily properties. This is a 27% increase over the record \$12.4 billion that Multifamily Housing insured in fiscal year 2011. This will continue to bolster the supply of much-needed rental housing, and help many multifamily owners refinance into more affordable loans. Additionally, HUD's rental assistance portfolio administers many projects which are conventionally financed and could include other funding such as flexible subsidies, tax credits, and municipal bonds. Headquarters staff engage in all activities associated with development and dissemination of policy and guidance for Section 8 Housing Assistance Payments contracts and occupancy requirements in multifamily subsidized housing programs. Headquarters staff develops policy on the renewal of Section 8 contracts and the provision of rent adjustments; writes guidebooks and notices; responds to inquiries regarding contract provisions, including internal and external correspondence, and waiver requests; develops and provides technical support and training on Section 8 contract renewals to HUD field offices, contract

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administrators, property owners and management agents; and provides oversight and monitoring of field staff implementation of policy and procedures related to implementing Section 8 contract renewal, rent increase, and occupancy requirements.

| Multifamily Policy Development | | | | |
|---------------------------------------|----------------|----------------|----------------|--------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$6,137 | \$6,239 | \$6,348 | \$211 |
| Non Personnel Services | | | | |
| Travel | 159 | 151 | 151 | (8) |
| Printing | 46 | 60 | 60 | 14 |
| Other Services/Contracts | 50 | 50 | 50 | - |
| Training | 21 | 23 | 37 | 17 |
| Supplies | 5 | 5 | 5 | - |
| Non Personnel Sub-Total | 280 | 288 | 303 | 23 |
| GRAND TOTAL | 6,417 | 6,527 | 6,651 | 234 |
| Associated FTE | 51 | 51 | 51 | - |

FTE/Workload Summary & Summary of Change

- 30 FTE will be used to provide policy support and technical assistance to 17 Multifamily Hubs and 34 field offices. This is the same FTE level as fiscal year 2012.
- 21 FTE will be used to provide leadership and oversight of all multifamily development programs, perform Multifamily Accelerated Processing (MAP) Lender Qualifications and procurement/contract administration. This is the same FTE level as fiscal year 2012.

Multifamily Production and Processing

Headquarters staff administers the various FHA Multifamily Mortgage Insurance Programs and Section 202 and Section 811 programs. In performing its function, the Headquarters staff:

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- develops policy;
- provides oversight and monitoring of field staff;
- monitors field achievement of goals and targets;
- drafts Notices of Funding Availability;
- ensures availability of funding for all funding commitments;
- responds to correspondence, audits, and other requests for information; and
- approves field offices' recommendations for selection of new projects/grants.

Field staff processes and recommends approval of applications; review construction plans and specifications and cost estimates; underwrite mortgage insurance applications, conduct financial analysis of borrowers, determine adequacy of market conditions, conduct environmental assessment, participate in training of FHA approved lenders, process requests for handbook waivers, review requests for appeals of rejections; conduct site reviews; participate in marketing and outreach of the Section 202 and Section 811 programs; train sponsors; process requisitions for release of funding; ensure compliance with Davis-Bacon wage rate requirements; conduct cost certification reviews; and monitor the completion of development of the projects.

| Multifamily Production and Processing | | | | |
|----------------------------------------------|-----------------|-----------------|-----------------|------------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$58,722 | \$59,814 | \$48,104 | (\$10,618) |
| Non Personnel Services | | | | |
| Travel | 317 | 301 | 301 | (16) |
| Other Services/Contracts | 38 | 38 | 38 | - |
| Training | 197 | 217 | 358 | 161 |
| Supplies | 49 | 47 | 47 | (3) |
| Non Personnel Sub-Total | 602 | 603 | 744 | 142 |
| GRAND TOTAL | 59,324 | 60,417 | 48,848 | (10,476) |
| Associated FTE | 488 | 489 | 387 | (101) |

FTE/Workload Summary & Summary of Change

- 228 FTE will be used to review and process 1,263 MAP/TAP applications. This is a 96 FTE decrease from fiscal year 2012. Multifamily is continuously refining and reviewing its operating model in an effort to create efficiencies in delivering our

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products to our stakeholders. During fiscal year 2013 Multifamily piloted and is implementing a workload sharing model that will not only create better efficiencies, but will manage an existing workload imbalance across the enterprise.

- 49 FTE will be used to provide IT support, program management, Hub coordination, contract administration, manage an estimate of 117 audit findings, and report on management plans. This is a 2 FTE decrease from fiscal year 2012.
- 45 FTE will be used to process 621 initial/final closings (for MAP, TAP, and 811/202), and process 394 cost certificates. This is a 2 FTE decrease from fiscal year 2012.
- 33 FTE will be used to monitor 649 construction projects (202/811, TAP and MAP). This is a 1 FTE decrease from fiscal year 2012.
- 32 FTE will be used to provide leadership and oversight of all multifamily programs. This is the same FTE level as fiscal year 2012.

Multifamily Subsidy Administration

MF rental assistance programs, unlike the Tenant-Based Rental Assistance program, provide rental assistance on behalf of eligible tenants residing in specific multifamily rental developments. These households are primarily seniors, families with children, and persons with disabilities. Project-Based Rental Assistance is provided through contracts between the Department and owners of multifamily rental housing; thus, if a tenant moves, the assistance stays with the housing development. The amount of rental assistance paid to the owner is the difference between what a household can afford (based on paying 30 percent of household income for rent) and the approved contract rent for the unit. Currently, the program serves nearly 1.2 million low-income and very low-income households.

Headquarters staff is responsible for the administration of its rental assistance programs to ensure that the highest compliance levels are maintained and that the right benefits go to the right people. This includes developing policy on occupancy requirements, writing guidebooks and notices, responding to inquiries regarding occupancy issues, training, and working with other HUD offices that administer rental assistance programs. The Division supports the Rental Housing Integrity Improvement Project initiative and other special projects related to multifamily rental assistance.

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| Multifamily Subsidy Administration | | | | |
|-------------------------------------------|-----------------|-----------------|-----------------|--------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$26,473 | \$26,911 | \$26,759 | \$286 |
| Non Personnel Services | | | | |
| Travel | 317 | 301 | 301 | (16) |
| Other Services/Contracts | 725 | 750 | 750 | 25 |
| Training | 89 | 98 | 161 | 72 |
| Supplies | 22 | 21 | 21 | (1) |
| Non Personnel Sub-Total | 1,153 | 1,170 | 1,234 | 80 |
| GRAND TOTAL | 27,626 | 28,081 | 27,993 | 366 |
| Associated FTE | 220 | 220 | 215 | (5) |

FTE/Workload Summary and Summary of Change

- 90 FTE will be used to monitor 5,028 Section 8 contracts and Project Rental Assistance contracts. This is the same FTE level as fiscal year 2012.
- 83 FTE will be used to monitor 2,380 Section 8 contracts that will be administered by 7,258 performance-based contract administrators (PBCA's). This is a 5 FTE decrease from fiscal year 2012.
- 14 FTE will be used to administer 933 neighborhood networks and provide project management to 3,123 troubled or potentially troubled projects. This is the same FTE level as fiscal year 2012.
- 28 FTE will be used to process vouchers, perform budget reviews, and monitor reports. This is the same FTE level as fiscal year 2012.

Manufactured Housing

Program functions for Manufactured Housing includes reduction of civilian fire deaths in manufactured housing, increased identification of non-conforming manufactured homes, increased number of manufactured homes impacted by investigations and enforcement cases, and increased re-sale value of owner-occupied manufactured housing. Program functions required by the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended by the Manufactured Housing Improvement Act of 2000, include the following:

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- Establishment of Construction and Safety, and Installation Standards.
- Compliance with the Construction and Safety Standards.
- Establishment and Enforcement of Installation Standards.
- Dispute Resolution Program.

| Manufactured Housing | | | | |
|--------------------------------|----------------|----------------|----------------|------------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$963 | \$979 | \$996 | \$33 |
| Non Personnel Services | | | | |
| Travel | 3 | 3 | 3 | 1 |
| Training | 3 | 4 | 6 | 3 |
| Supplies | 1 | 1 | 1 | - |
| Non Personnel Sub-Total | 7 | 8 | 10 | 3 |
| GRAND TOTAL | 970 | 987 | 1,006 | 36 |
| Associated FTE | 8 | 8 | 8 | - |

FTE/Workload Summary & Summary of Change

- 8 FTE will be used to perform 2,727 technical reviews of Manufactured Housing products and administer requirements of the Manufactured Housing Improvement Act. This is the same FTE level as fiscal year 2012.

Risk Management

The major objective of the Office of Risk Management and Regulatory Affairs (ORMRA) is to: conduct analysis and recommend actions to reduce exposure to FHA insurance funds while meeting its housing mission; ensure that FHA operates in compliance with statutory capital requirements; and promote a well-controlled operational infrastructure. The risk management staff's scope of credit and operational risk management work encompasses Program Area (Single Family, Multifamily and Healthcare) activities conducted at headquarters and the Field Offices.

ORMRA performs the following functions to manage risk:

- performs analyses and recommends actions to support FHA's ability reduce risk exposure to its insurance funds;
- identifies the policies and processes that are key drivers of risk via a structured risk identification framework;

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- recommends risk mitigation strategies for FHA and specific program areas and provide independent oversight and assessment of risk remediation activities;
- designs and maintains a comprehensive risk governance infrastructure, including implementing policies, processes, and committees to reduce risk exposure to the insurance funds;
- maintains risk management processes to perform independent internal risk and control assessments aligned with federal standards, including front end risk assessments of new and high impact programs and activities; and
- ensures that risks are measured, monitored and managed according to an integrated framework across programs.

| Risk Management | | | | |
|--------------------------------|----------------|----------------|----------------|------------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$5,716 | \$6,361 | \$6,472 | \$756 |
| Non Personnel Services | | | | |
| Travel | 25 | 30 | 30 | 5 |
| Other Services/Contracts | 547 | 650 | 650 | 103 |
| Training | 19 | 21 | 35 | 16 |
| Supplies | 5 | 5 | 5 | - |
| Non Personnel Sub-Total | 596 | 705 | 719 | 123 |
| GRAND TOTAL | 6,312 | 7,066 | 7,191 | 879 |
| Associated FTE | 48 | 52 | 52 | 4 |

FTE/Workload Summary and Summary of Change

- 38 FTE will be used to perform actuarial, credit, and policy analysis, and administer contracts. This is a 3 FTE increase from fiscal year 2012. The request reflects the amount of FTE usage necessary to meet the minimum requirements in recent appropriations.
- 14 FTE will be used to perform risk management-related activities and special projects. This is a 1 FTE increase from fiscal year 2012. The request reflects the amount of FTE usage necessary to meet the minimum requirements established in recent appropriations.

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Single Family Asset Management

The Asset Management Staff at Headquarters performs the following functions to administer the HUD asset management programs: develops and updates policy related to all aspects of implementing and monitoring the single family property disposition program; ensures that adequate funding is provided to the field for necessary contract services required to implement the program; provides oversight of regulatory compliance of FHA's loss mitigation requirements for lenders that have been approved to participate in single family FHA mortgage insurance programs; and provides technical support and assistance to field staff, including Single Family Homeownership Center staff.

Field staff performs the following functions to implement HUD asset management programs: provides contract requirement development and oversight of Field Service Manager and Asset Manager Contractors that perform property maintenance services and property disposition/sale services for all HUD Real Estate Owned (REO) properties in the inventory.

| Single Family Asset Management | | | | |
|---------------------------------------|-----------------|-----------------|-----------------|-------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY2012 to FY2014 |
| Personnel Services | \$27,893 | \$29,700 | \$29,012 | \$1,119 |
| Non Personnel Services | | | | |
| Travel | 334 | 389 | 389 | 54 |
| Training | 94 | 103 | 170 | 76 |
| Supplies | 23 | 22 | 22 | (1) |
| Non Personnel Sub-Total | 451 | 514 | 581 | 129 |
| GRAND TOTAL | 28,344 | 30,214 | 29,593 | 1,248 |
| Associated FTE | 232 | 243 | 243 | 11 |

FTE/Workload Summary and Summary of Change

- 144 FTE will be used to perform procurement acquisitions and contract administration for 52 REO contracts and provide technical support for M&M contract monitoring. This is a 2 FTE increase from fiscal year 2012.
- 18 FTE will be used to provide services for 554,667 other Secretary-owned mortgages in the portfolio.
- 26 FTE will be used to provide loss mitigation services for 536,640 reported defaults.
- 24 FTE will be used to administer 79 Closing Agent contracts.

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- 31 FTE will be used to provide leadership and oversight of operations, perform policy related work, and participate in the audit process.

Single Family Customer Service

All Single Family Customer Service activities associated with performing internal and external customer relations include the following:

- Respond to congressional and White House requests;
- Respond to non-policy related customer requests;
- Provide outreach to customer groups;
- Provide Technical Assistance and Programmatic Training;
- Respond to OIG, GAO, and OMB Audits and Inquiries;
- Manage Controlled Correspondence;
- Research and Respond to Customer Inquiries;
- Provide Training, Education and Outreach, and promote homebuyer education initiatives;
- Foster good industry/community relations; and
- Negotiate partnership agreements with state and local governments, nonprofit organizations, and community organizations.

| Single Family Customer Service | | | | |
|---------------------------------------|----------------|----------------|----------------|--------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$3,370 | \$3,058 | \$3,112 | (\$258) |
| Non Personnel Services | | | | |
| Travel | 111 | 130 | 130 | 18 |
| Printing | 3 | - | - | (3) |
| Training | 11 | 12 | 21 | 9 |
| Supplies | 3 | 3 | 3 | - |
| Non Personnel Sub-Total | 128 | 145 | 153 | 25 |
| GRAND TOTAL | 3,498 | 3,203 | 3,265 | (233) |
| Associated FTE | 28 | 25 | 25 | (3) |

Program Office Salaries and Expenses-Office of Housing

FTE/Workload Summary & Summary of Change

- 25 FTE will be used to provide leadership and oversight in responding to 972 pieces of controlled correspondence and 128,762 inquiries registered in the Vantive system. This 3.0 FTE decrease from fiscal year 2012 will be achieved through Housingwide efficiencies.

Single Family Lender Oversight

Headquarters staff for the Office of Lender Activities and Program Compliance: develops and updates policy related to all aspects of monitoring the program and approval into the program; provides approval and oversight of FHA approved lenders; ensures that adequate funding is provided to the field for necessary contract services required to implement the program; and provides technical support and assistance to field staff.

Field staff performs the following functions to monitor FHA approved lenders: monitors originating lenders and servicing lenders for FHA requirement compliance; oversees and coordinates audit response for lender related activities; and provides referrals to the Mortgagee Review Board for lenders with serious violations.

| Single Family Lender Oversight | | | | |
|---------------------------------------|-----------------|-----------------|-----------------|-------------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY 2014 |
| Personnel Services | \$22,502 | \$23,241 | \$23,274 | \$772 |
| Non Personnel Services | | | | |
| Travel | 334 | 389 | 389 | 54 |
| Training | 76 | 83 | 137 | 62 |
| Supplies | 19 | 18 | 18 | (1) |
| Non Personnel Sub-Total | 429 | 490 | 544 | 115 |
| GRAND TOTAL | 22,931 | 23,731 | 23,818 | 887 |
| Associated FTE | 187 | 190 | 187 | - |

FTE/Workload Summary & Summary of Change

- 109 FTE will be used to review 16,454 loans during the 312 lender reviews. This is the same FTE level as fiscal year 2012.
- 24 FTE will be used to review and process 5,526 lender referrals. This is the same FTE level as fiscal year 2012.
- 17 FTE will be used to re-certify 1,914 lenders and approve 284 applications. This is the same FTE level as fiscal year 2012.
- 14 FTE will be used to review 312 monitoring reports. This is the same FTE level as fiscal year 2012.
- 12 FTE will be used to conduct 215 quality assurance reviews for Title I and Title II cases. This is the same FTE level as fiscal year 2012.
- 11 FTE will be used to provide leadership and oversight, risk management, mortgage review board, and propose 51 credit watch terminations. This is the same FTE level as fiscal year 2012.

Single Family Policy Development

Headquarters staff performs the following functions to administer FHA Mortgage Insurance Programs: management, development, implementation and oversight of all Single Family (SF) FHA Insurance and Appraisal programs and policies; initiates and executes program and policy changes in response to market changes; supports SF Credit and Appraisal handbooks, FAQs and policy publications, market outreach, communication, and training. Additionally the department is responsible for the Lender Insurance Program, Direct Endorsement authority, the FHA Appraisal Roster and providing guidance, technical support and assistance to field staff. Headquarters staff also supports several systems critical to supporting the SF FHA Insurance program: FHA Connection, CHUMS, IACS/HERMIT, SF Data Warehouse, CAIVRS and the Housing Counseling System. This responsibility includes supporting and executing system changes required to support the FHA SF programs and business model, including TOTAL Scorecard. The staff is responsible for ensuring that adequate funding is provided for necessary contract services required to implement and manage the insurance program and related functions and is playing a lead role in the SF Transformation initiative, which will incorporate fraud/risk tools in the origination and insuring process. Headquarters staff also manages the web posting function for SF Housing and regulatory audits related to FHA Insurance programs and policy.

Program Office Salaries and Expenses-Office of Housing

| Single Family Policy Development | | | | |
|-----------------------------------------|----------------|----------------|----------------|--------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$9,471 | \$9,419 | \$9,459 | (\$12) |
| Non Personnel Services | | | | |
| Travel | 111 | 130 | 130 | 18 |
| Training | 32 | 35 | 58 | 26 |
| Supplies | 8 | 8 | 8 | - |
| Non Personnel Sub-Total | 151 | 172 | 195 | 44 |
| GRAND TOTAL | 9,622 | 9,591 | 9,654 | 32 |
| Associated FTE | 79 | 77 | 76 | (3) |

FTE/Workload Summary & Summary of Change

- 32 FTE will be used to provide home mortgage insurance services and Home Valuation Policy Services for 1,594,667 FHA applications. This is the same FTE level as fiscal year 2012.
- 32 FTE will be used to provide national program management and field office support functions. This is a 3 FTE decrease from fiscal year 2012.
- 12 FTE will be used to provide leadership oversight and guidance for single family mortgage insurance policies and guidance. This is the same FTE level as fiscal year 2012.

Single Family Production/Processing

Field staff performs the following functions to administer FHA Mortgage Insurance Programs: provides oversight of contractors that process case-level endorsement for mortgage insurance; reviews underwriting and mortgage credit analyses of loan files for FHA-approved lenders; provides oversight of contract field appraisers that conduct site reviews; monitors appraisers for compliance with FHA requirements; participates in marketing and outreach of FHA programs; trains FHA lenders; provides technical assistance to lenders for facilitation of loan endorsements; and provides oversight of the condominium approval process.

Program Office Salaries and Expenses-Office of Housing

| Single Family Production/Processing | | | | |
|--------------------------------------------|-----------------|-----------------|-----------------|--------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$44,162 | \$47,460 | \$46,810 | \$2,648 |
| Non Personnel Services | | | | |
| Travel | 223 | 259 | 259 | 36 |
| Training | 148 | 164 | 269 | 121 |
| Supplies | 37 | 35 | 35 | (2) |
| Non Personnel Sub-Total | 408 | 458 | 563 | 155 |
| GRAND TOTAL | 44,570 | 47,918 | 47,373 | 2,803 |
| Associated FTE | 367 | 388 | 376 | 9 |

FTE/Workload Summary & Summary of Change

- 74 FTE will be used to conduct 22,400 post-endorsement technical reviews. This is a 4 FTE increase from fiscal year 2012.
- 28 FTE will be used to perform 8,392 appraisal reviews. This is the same FTE level as fiscal year 2012.
- 24 FTE will be used to process reviews of loan files for 5,238 FHA-approved lenders. This is the same FTE level as fiscal year 2012.
- 28 FTE will be used to manage 296 new/recertified nonprofit agencies. This is the same FTE level as fiscal year 2012.
- 20 FTE will be used to process 46,584 FHA insurance endorsements (Paper & Electronic Case Binders, Home Equity Conversion Mortgage). This is the same FTE level as fiscal year 2012.
- 75 FTE will be used to provide leadership and oversight of operations and perform technical assistance and property-related activities. This is the same FTE level as fiscal year 2012.
- 127 FTE will be used to assist internal and external customers, provide technical assistance and programmatic training to single family program participants and respond to various programmatic audits and inquiries. This is a 5 FTE increase from fiscal year 2012.

Housing Counseling Outreach and Capacity Building

All Housing Counseling Outreach and Capacity Building activities are related to program visibility; counselor, agency, applicant, and constituent training and education. The Program Awareness function within the Office of Housing Counseling Outreach and Capacity Building is responsible for helping the Department meet consumers’ post-recession needs to restore their income and borrowing ability, and improve their housing quality and affordability.

Program Office Salaries and Expenses-Office of Housing

| Housing Counseling Outreach and Capacity Building | | | | |
|----------------------------------------------------------|----------------|----------------|----------------|--------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$3,249 | \$3,058 | \$3,112 | (\$137) |
| Non Personnel Services | | | | |
| Travel | 15 | 54 | 54 | 39 |
| Training | 11 | 12 | 20 | 9 |
| Supplies | 3 | 3 | 3 | - |
| Non Personnel Sub-Total | 29 | 69 | 76 | 48 |
| GRAND TOTAL | 3,278 | 3,127 | 3,188 | (89) |
| Associated FTE | 27 | 25 | 25 | (2) |

FTE/Workload Summary & Summary of Change

- 25 FTE will be used to administer the Housing Counseling Programs. This is a 2 FTE decrease from fiscal year 2012.

Housing Counseling Policy and Grants Administration

The functions of the Office of Policy and Grants Administration are to prepare reports on program effectiveness and impact, initiate and evaluate efforts to streamline the program, draft rules and regulations, and design and oversee a competitive process for awarding grants.

Housing Counseling Policy and Grants Administration includes all activities related to developing metrics, standards and policies for housing counseling for the homeless, renters, homebuyers and homeowners, including:

- Developing and implementing policies relating to housing counseling;
- Collecting and analyzing data and research documenting the effectiveness of HUD’s housing counseling program; and
- Coordinating the grant-making process, conducting program reporting and evaluation, conducting policy development, and coordinating grants management.

Program Office Salaries and Expenses-Office of Housing

| Housing Counseling Policy and Grants Administration | | | | |
|------------------------------------------------------------|----------------|----------------|----------------|--------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$2,407 | \$2,080 | \$2,116 | (\$291) |
| Non Personnel Services | | | | |
| Travel | 3 | 12 | 12 | 9 |
| Training | 8 | 9 | 15 | 7 |
| Supplies | 2 | 2 | 2 | - |
| Non Personnel Sub-Total | 13 | 23 | 29 | 15 |
| GRAND TOTAL | 2,420 | 2,103 | 2,145 | (276) |
| Associated FTE | 20 | 17 | 17 | (3) |

FTE/Workload Summary & Summary of Change

- 17 FTE will be used to process 825 housing counseling grants. This 3 FTE decrease from fiscal year 2012 will be achieved through Housingwide efficiencies.

Housing Counseling Program Oversight and Accountability

Housing Counseling Program Oversight and Accountability includes all activities associated with monitoring, reporting, and certification of new and existing Housing counselors, counseling agencies and related activities. It also includes:

- Conducting Performance Monitoring;
- Providing Program Management and Oversight;
- Performing Counselor and Counseling Agency Certification Assessment and Review; and
- Responding to external audits.

Program Office Salaries and Expenses-Office of Housing

| Housing Counseling Program Oversight and Accountability | | | | |
|----------------------------------------------------------------|----------------|----------------|----------------|--------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$4,212 | \$3,058 | \$3,112 | (\$1,100) |
| Non Personnel Services | | | | |
| Travel | 15 | 54 | 54 | 39 |
| Training | 14 | 16 | 26 | 12 |
| Supplies | 4 | 3 | 3 | - |
| Non Personnel Sub-Total | 33 | 73 | 83 | 50 |
| GRAND TOTAL | 4,245 | 3,131 | 3,195 | (1,050) |
| Associated FTE | 35 | 25 | 25 | (10) |

FTE/Workload Summary & Summary of Change

- 25 FTE will be used to manage 1,940 housing counseling agencies. This 10 FTE decrease from fiscal year 2012 will be achieved through Housingwide efficiencies.

Finance and Budget

The Office of Finance and Budget (FAB) provides critical financial and budgetary oversight for the Federal Housing Administration (Housing-FHA). The organization serves as the principal advisor to the FHA Commissioner on fiscal and budgetary matters and has primary leadership responsibility for the financial integrity of the office of Housing-FHA programs. The office is responsible for all Housing-FHA accounting records, the preparation of the annual FHA Generally Accepted Accounting Principal statements/Management Report, management of the annual audit, timely and accurate financial management reports, the sale and disposition of FHA mortgage notes, claims processing, debt collection activities, managing Housing’s corporate IT investment portfolio, budget formulation, execution, presentations, and serves an advisory role on all issues involving financial management, budgetary and accounting policy to the program offices’ Deputy Assistant Secretaries. FAB’s staff is responsible for the integrity of transactional data and internal controls within Housing-FHA direct loan, loan guarantee, grants and subsidy programs. This office works closely with Congressional Appropriation Committees on Housing’s budgetary matters and assists the program offices with reviewing program legislation language and policies for human capital and other resource impacts. Based on impact, FAB makes recommendations to and advises FHA senior leadership (to include the Commissioner), the Office of the Chief Financial Officer, Office of the HUD Secretary and Office of Management and Budget.

Program Office Salaries and Expenses-Office of Housing

| Finance and Budget | | | | |
|--------------------------------|-----------------|-----------------|-----------------|--------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$30,216 | \$30,825 | \$30,580 | \$364 |
| Non Personnel Services | | | | |
| Travel | 42 | 48 | 48 | 6 |
| Printing | 4 | - | - | (4) |
| Other Services/Contracts | 139 | - | - | (139) |
| Training | 102 | 112 | 184 | 83 |
| Supplies | 25 | 24 | 24 | (1) |
| Other | 4 | 4 | 4 | - |
| Non Personnel Sub-Total | 315 | 188 | 260 | (55) |
| GRAND TOTAL | 30,531 | 31,013 | 30,840 | 309 |
| Associated FTE | 251 | 252 | 246 | (5) |

FTE/Workload Summary & Summary of Change

- 34 FTE will be used to process approximately 150,000 FHA insurance claims on defaulted single family mortgages and manage the property portfolio with approximately 40,000 single family properties acquired from the defaulted loans. This is the same FTE level as fiscal year 2012.
- 25 FTE will be used to manage approximately 7,000 single family and Title 1 (property improvement and manufactured housing) notes in the portfolio. This is a 1 FTE decrease from fiscal year 2012.
- 34 FTE will be used to manage and collect insurance premiums on approximately 8 million single family FHA insured loans, 13,000 insured multifamily loans, and 43,000 insured Title I loans. This is a 1 FTE decrease from fiscal year 2012.
- 18 FTE will be used to manage 46 systems and support system users. This is a 1 FTE decrease from fiscal year 2012.
- 17 FTE will be used to process approximately 15,000 single family insurance premium refunds. This is a 1 FTE decrease from fiscal year 2012.
- 20 FTE will be used to process approximately 100 multifamily insurance claims on defaulted loans and provide notes servicing for 2,700 multifamily notes in portfolio. This is the same FTE level as fiscal year 2012.

Program Office Salaries and Expenses-Office of Housing

- 42 FTE will be used to perform financial management and reporting activities. These activities include performing general ledger accounting, processing cash receipts and disbursement, funds control, financial analysis, financial reporting, internal control reviews, and audit support. This is a 1 FTE decrease from fiscal year 2012.
- 33 FTE will be used to provide leadership and oversight of operations, and perform budget formulation and execution. This is the same FTE level as fiscal year 2012.
- 23 FTE will be used to provide program management, policy evaluation, notes sales, commercial debt recovery, financial transaction processing, and special projects. This is the same FTE level as fiscal year 2012.

Business Development

The Office of Business Development (OBD) within the Office of Housing provides numerous marketing and technological support functions for the Office of Housing on a demand basis. In the face on increasing FHA and Housing importance to the American Housing markets, it is crucial that the Housing and FHA be properly represented, especially in the efforts to modernize the Federal Housing Administration (FHA) and better manage and mitigate risk across all FHA insurance programs.

| Business Development | | | | |
|--------------------------------|----------------|----------------|----------------|--------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$7,341 | \$6,483 | \$6,597 | (\$744) |
| Non Personnel Services | | | | |
| Travel | 23 | 27 | 27 | 4 |
| Printing | 24 | 40 | 40 | 16 |
| Other Services/Contracts | 295 | - | - | (295) |
| Training | 25 | 27 | 45 | 20 |
| Supplies | 6 | 6 | 6 | - |
| Non Personnel Sub-Total | 373 | 100 | 118 | (255) |
| GRAND TOTAL | 7,714 | 6,583 | 6,715 | (999) |
| Associated FTE | 61 | 53 | 53 | (8) |

Program Office Salaries and Expenses-Office of Housing

FTE/Workload Summary & Summary of Change

- 20 FTE will be strategically parsed to support the performance of communication and marketing initiatives for FHA, and the records management functions for millions of FHA Insured Mortgages which are used to address mortgage fraud litigation. This is an 8 FTE decrease from fiscal year 2012. The FTE are decreased due to decreased FHA marketing initiatives in the business development function under the Office of Operations. 28 FTE will be used to provide acquisition support and business analysis relating to the FHA Transformation effort, perform office technical coordination, web management relating to Housing and FHA which includes managing approximately 20,000 web pages for the public and HUD-FHA partners, and addressing over 20,000 Housing employee service requests related to actions not supported by HUD IT or its contractors. This is the same FTE level as fiscal year 2012.
- 5 FTE will be used to provide leadership and oversight of day-to-day operations. This is the same FTE level as fiscal year 2012.

Housing Human Capital & Procurement

Due to the complexity of Housing FHA and Housing programs, Housing OPS helps assure that the Office of Housing meets Departmental and Federal mandates for Human Capital and workforce planning requirements given limited general resources. Housing OPS also assures through its Procurement Management Division (PMD) that Housing contracting activities meet all applicable Federal Acquisition Regulations, while simultaneously supporting HUD’s Office of Small and Disadvantaged Business Utilization goals. With increases in demands on FHA and Housing programs occurring at the same time that salaries and expense levels have been shrinking, Housing OPS’ support requirements have also increased in the face of dwindling resources.

| Housing Human Capital & Procurement | | | | |
|------------------------------------------------|-----------------|-----------------|-----------------|--------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$10,626 | \$11,009 | \$10,891 | \$265 |
| Non Personnel Services | | | | |
| Travel | 15 | 18 | 18 | 3 |
| Other Services/Contracts | 57 | 438 | 241 | 184 |
| Training | 36 | 39 | 65 | 29 |
| Supplies | 9 | 8 | 8 | (1) |
| Non Personnel Sub-Total | 117 | 504 | 332 | 215 |
| GRAND TOTAL | 10,743 | 11,513 | 11,223 | 480 |
| Associated FTE | 88 | 90 | 88 | - |

Program Office Salaries and Expenses-Office of Housing

FTE/Workload Summary & Summary of Change

- 29 FTE will be used to perform: procurement management, assure compliance with HUD and Federal acquisition requirements, as well as providing for contract administration for over 1,000 contract actions per year on average. This is the same FTE level as fiscal year 2012.
- 48 FTE will be used to provide policy, program, and general support to all Housing employees, such as: workforce planning, employee and labor relations, EEO issues, personnel actions, training, regulatory waivers, micro-purchases, space management, and travel. This is the same FTE level as fiscal year 2012.
- 11 FTE will be used to provide leadership and oversight of all activities, including compliance with Housing environmental policies and requirements. This is the same FTE level as fiscal year 2012.

Executive Direction

The Office of Housing oversees the mortgage programs (Single Family, Multifamily and Healthcare) under the Federal Housing Administration (FHA) and administers a number of other discretionary activities including: the Project-Based Section 8 program that provides subsidized rental assistance to low and very low-income families; the Housing for the Elderly and Housing for Persons with Disabilities programs that support the development and operation of affordable supportive housing; and the Housing Counseling Assistance program that provides services to households throughout the United States of America.

Through the financial structure of FHA, the Office of Housing provides mortgage loan guarantees that finance critical housing and community development investments contributing to the health and well-being of families and urban and rural communities across the Nation. The banking and credit crisis, distress in many housing markets, and the increase in homeowners facing foreclosure due to subprime lending and the economic recession has continued to increase the demand for FHA assistance over the past several years and dramatically increased the size of FHA's portfolio.

Program Office Salaries and Expenses-Office of Housing

| Executive Direction | | | | |
|--------------------------------|----------------|----------------|----------------|------------------------------|
| (dollars in thousands) | | | | |
| | FY 2012 | FY 2013 | FY 2014 | FY 2012 to FY2014 |
| Personnel Services | \$1,625 | \$1,591 | \$1,618 | (\$7) |
| Non Personnel Services | | | | |
| Travel | 56 | 65 | 65 | 9 |
| Printing | 1 | - | - | (1) |
| Training | 5 | 6 | 10 | 4 |
| Supplies | 1 | 1 | 1 | - |
| Non Personnel Sub-Total | 63 | 72 | 76 | 13 |
| GRAND TOTAL | 1,688 | 1,663 | 1,694 | 6 |
| Associated FTE | 14 | 13 | 13 | (1) |

FTE/Workload Summary & Summary of Change

- 10 FTE will be used to provide policy and program guidance and support. This is the same FTE level as fiscal year 2012.
- 3 FTE will be used to provide leadership and oversight of Housing program offices. This is the same FTE level as fiscal year 2012.

Program Office Salaries and Expenses-Office of Housing

