

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
ADMINISTRATIVE SUPPORT OFFICES  
OFFICE OF THE CHIEF HUMAN CAPITAL OFFICER**

**Program Area Overview:**

The Office of the Chief Human Capital Officer (OCHCO) provides leadership and direction in the formulation and implementation of strategic human capital policies, programs, and systems to promote efficient and effective human capital management thereby advancing the cultural norms for the Department of Housing and Urban Development (HUD). OCHCO represents HUD on human capital (including human resources) matters with the Office of Personnel Management (OPM), Office of Management and Budget (OMB), other Federal agencies, the Congress and the public.

OCHCO is in the talent business and its mission is to provide strategic Human Capital Management by advancing the agency's business as required by the HUD's strategic plan. Compliance Expertise – knowing the human capital rules and boundaries and facilitating HC transactions – is integral to achieving its mission. Much of the OCHCO transactional work is being outsourced; therefore, there will be a corresponding reduction in FTE in the affected areas over time. In addition, OCHCO's mission is to support HUD's human capital strategic plan in the areas of recruiting and hiring, leadership effectiveness, employee engagement, HUD transformation and performance results.

The staffing and funding requested reflect OCHCO's goal to realign its focus from conducting transactional work to strategic human capital management, which includes the following:

- Talent Management Services
- Strategic and Workforce Planning
- Performance Management
- Knowledge Management
- Training and Development
- Employee and Labor Relations
- Compliance and Oversight
- Improving Employee Engagement
- Enhancing the Employee Work Experience

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<b>TOTAL - SALARIES AND EXPENSES</b>				
(Dollars in Thousands)				
	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2015 to FY 2016</b>
<b>Personnel Services</b>	<b>\$25,680</b>	<b>\$25,840</b>	<b>\$24,810</b>	<b>(\$1,030)</b>
<b>Common Distributable</b>	<b>\$7,000</b>	<b>\$6,825</b>	<b>\$6,900</b>	<b>\$75</b>
<b>Non-Personnel Services</b>				
Travel	213	554	506	(48)
Rent/Utilities	6	-	-	-
Printing	20	-	-	-
Other Services/Contracts	18,545	20,803	26,449	5,646
Training	2,744	2,868	2,700	(168)
Supplies	128	50	50	-
Furniture/Equipment	64	60	60	-
<b>Non-Personnel Subtotal</b>	<b>21,720</b>	<b>24,335</b>	<b>29,765</b>	<b>5,429</b>
<b>GRAND TOTAL</b>	<b>\$54,400</b>	<b>\$57,000</b>	<b>\$61,475</b>	<b>\$4,474</b>
<b>Associated FTE</b>	<b>190.8</b>	<b>190.0</b>	<b>180.0</b>	<b>(10.0)</b>

**DESCRIPTION OF CHANGE FROM FY 2015 TO FY 2016**

The Office of the Chief Human Capital Officer (OCHCO) requests \$61,475K and 180 Full Time Equivalent (FTE) in fiscal year 2016, which is an increase from fiscal year 2015 enacted of \$4,474K.

- **Personnel Services:** The Office of the Chief Human Capital Officer (OCHCO) is requesting \$24,810K and 180 FTE. This request represents a decrease from fiscal year 2015 enacted of \$1,030K and 10 FTE. A nominal amount of funding is included to fund the pay raise, promotions and within grade increases which attributed to the reduction of FTE. The requested budget supports OCHCO in the areas of strategic human capital management, recruitment and staffing, department performance management and enterprise-level learning.

**Common Distributable (CD):** In addition to the above, the personnel services account includes \$6,900K in Common Distributable for fiscal year 2016. This amount represents an increase of \$75K from fiscal year 2015 enacted based on the projected number of employees in each year who will be eligible to apply for the Transit Subsidy and Student Loan Repayment programs.

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Table: Common Distributables

<b>Common Distributables</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Flexible Spending	\$300,000	\$300,000	\$300,000
Transit Subsidy	\$5,705,000	\$6,025,000	\$6,000,000
Student Loan Repayment	\$1,200,000	\$500,000	\$600,000
<b>TOTAL</b>	<b>\$7,205,000</b>	<b>\$6,825,000</b>	<b>\$6,900,000</b>

- Non-Personnel Services: The Office of the Chief Human Capital Officer (OCHCO) is requesting \$29,765K. This request represents an increase from fiscal year 2015 enacted of \$5,429K.
  - Travel decreased by \$48K
  - Other Services increased by \$5,646K for the Bureau of Fiscal Services (BFS) Shared Service Agreement, which provides full implementation of the use of shared services to manage the Department’s transactional work; and the implementation of Release 2 of the New Core project (WebTA), through which HUD will contract with the Department of Treasury to track employee time and attendance via a shared service.
    - Preliminary results showed that the BFS shared service accelerated HUD’s hiring process, not including job classification and position descriptions, from 136 to 98 days. Growth in this service allows OCHCO to continue accelerating processes.
  - \$168K decrease in training

	<b>Personnel Services Functional Summary</b>					
	(Dollars in Thousands)					
	<b>FY 2014</b>		<b>FY 2015</b>		<b>FY 2016</b>	
<b>Function</b>	<b>FTE</b>	<b>Cost</b>	<b>FTE</b>	<b>Cost</b>	<b>FTE</b>	<b>Cost</b>
Recruitment	55.8	\$7,510	34.0	\$4,624	31.0	\$4,273
Retention	63.8	\$8,587	57.0	\$7,752	52.0	\$7,167
Development	20.0	\$2,692	32.0	\$4,352	32.0	\$4,411
Accountability	11.1	\$1,494	13.0	\$1,768	13.0	\$1,792
Business Operations	40.1	\$5,397	54.0	\$7,344	52.0	\$7,167
<b>Total</b>	<b>190.8</b>	<b>\$25,680</b>	<b>190.0</b>	<b>\$25,840</b>	<b>180.0</b>	<b>\$24,810</b>

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- Recruitment – The fiscal year 2016 budget request shows a decrease of 3 FTE from fiscal year 2015 enacted. The Recruitment function has been significantly reduced since the implementation of BFS. This FTE level will allow OCHCO to leverage its existing resources to ensure the appropriate staffing levels in areas requiring strategic human capital skills. Further, OCHCO will be able to realign staff in accordance with the human capital goals and priorities.
- Retention – The fiscal year 2016 Budget request shows a decrease of 5 FTE from fiscal year 2015 enacted. The reduction is a direct result of the implementation of BFS. Operating at this FTE level will assist in balancing the costs for outsourcing HR services to BFS and provide for a seamless transition of HR transactional work while maintaining sufficient human capital staff to serve as a strategic partner for customers. Further, these staffing levels will ensure compliance with OPM requirements and provide adequate oversight of BFS services.
- Business Operations – The fiscal year 2016 budget request reflects a decrease of 2 FTE from fiscal year 2015 enacted. The FTE reduction was achieved by assessing resources and adjusting gaps in workload trend levels.

<b>KEY WORKLOAD</b>				
<b>Workload Indicator</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2015 to FY 2016</b>
Number of Staffing/recruiting/DEU actions (HUD Only)	627	142	25	(117)
Provided LR/ER consultations	19,144	19,560	19,885	325
HVU number training completions	-	40,254	43,107	2,853
Number of Automated Systems Maintained	18	25	25	-
Number of work units with approved Engagement Local Action Plan	-	-	1,100	1,100

Key Workload Items

- Staffing/recruiting/DEU actions - In fiscal year 2016, HUD will perform transactional services for 25 Executive Services and Schedule C employees.
- Labor and Employee Relations Consultations - OCHCO projects a slight increase, of 325, in consultations during fiscal year 2016.

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- HUD's Virtual University (HVU) training completions - In fiscal year 2016, there is a projected increase of 2,853 training completions for HUD employees. This increase in training is identified specifically for providing technical assistance and consultation support to assess mission-critical skill gaps and succession planning initiatives and for providing subscription training for 360 degree assessment tools for senior level executives, managers and supervisors and refresher training for supervisors and managers.
- Work Units with Approved Engagement Local Action Plan - measures the types of incentives, surveys, programs, team building exercises, exit interviews, training opportunities, retreats, etc. that are conducted within a year. The indicators are designed to ensure that employees are committed to their organization's goals and values and motivated to contribute to organizational success.

### **SUMMARY OF SYSTEMS/TOOLS REQUIRED TO MANAGE PROGRAM**

OCHCO manages the Human Resources Management (HRM) segment.

This segment is composed of multiple systems such as WebTA, HIRTS, HIRTS Data store, and Security Control and Tracking System. The HRM segment manages and administers the Department's Human Capital IT systems, develops and implements Departmental IT policy guidance for Human Capital Management programs supported by IT systems, conducts workforce and succession reporting and analysis, directs the development of integrated systems and manages OCHCO's Human Resource Information Technology (HRIT) portfolio and strategies, and administers the Department's Transit Subsidy System.

HUD's Integrated Human Resources and Training System (HIRTS) continues to support HUD by providing the core HR personnel action request and processing system. WebTA provides data entry capability for employees to enter their work time. The Department is currently engaged in preparing its WebTA system and time and leave services for fiscal year 2015 for migration to a Shared Service provider to support the New Core Program. The WebTA system is being transitioned with the goal of increasing the efficiency, accuracy, and accountability goals of program management of the time and attendance process in relation to financial management systems at HUD. WebTA, a system that helps HUD optimize their most important resource – their own people. Using WebTA hosted by BFS, allows HUD to completely automate and simplify the time keeping linked to HUD's financial management systems. Further, the BFS facilitates time management by providing a "single view" into all employee timesheets, leave requests and balances.

More details on the operations and maintenance funding to support the HRM segment can be found in the Information Technology Fund congressional justification.