

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
ADMINISTRATIVE SUPPORT OFFICES
OFFICE OF ADMINISTRATION**

Program Area Overview:

The Office of Administration (OA) is responsible for a wide range of administrative services that support HUD personnel and HUD offices throughout the country. This budget request will enable administrative operations, coordination of office relocations as leases expire, and the renovation of existing HUD space to save funds and release unneeded space to the General Services Administration (GSA) for lease to another federal agency. The OA also fully supports HUD's Strategic Plan Goal, "Achieving Operational Excellence: Management Challenges and Objectives."

The functions in OA include:

- *Facilities Management* (provides management, operations and safety of all HUD facilities located in the National Capital Region);
- *Field Support Services* (provides HUD field staff with administrative support services);
- *Digital Services* (provides enterprise digital and multimedia services);
- *Disaster Management and National Security* (coordinates HUD's role in the federal government's response to, and recovery from, national disasters that affect housing); and
- *Executive Secretariat* (serves as the central location for the coordination and oversight of executive correspondence, scheduling, FOIA requests and the protection of employee privacy).

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TOTAL - SALARIES AND EXPENSES				
(Dollars in Thousands)				
	FY 2014	FY 2015	FY 2016	FY 2015 to FY 2016
Personnel Services	\$29,181	\$29,988	\$30,776	\$788
Common Distributable	-	-	-	-
Non-Personnel Services				
Travel	1,655	1,712	1,762	50
Transportation of Things	57	58	15	(43)
Rent/Utilities	128,004	128,065	131,008	2,943
Printing	234	238	240	2
Other Services/Contracts	35,982	33,315	40,421	7,106
Training	137	228	241	13
Supplies	1,526	1,756	1,378	(378)
Furniture/Equipment	5,465	4,641	4,663	22
Claims & Indemnities	2	-	-	-
Non-Personnel Subtotal	173,062	170,012	179,728	9,716
GRAND TOTAL	\$202,243	\$200,000	\$210,504	\$10,504
Associated FTE	232.2	238.0	241.0	3.0

DESCRIPTION OF CHANGE FROM FY 2015 TO FY 2016

OA is requesting \$210,504K for fiscal year 2016, an increase of \$10,504K from fiscal year 2015 enacted.

Personnel Services

Personnel Services – OA is requesting \$30,776K and 241 Full-Time Equivalents (FTE) in fiscal year 2016, with an increase from fiscal year 2015 of \$788K and 3 FTE. A nominal increase in funding will support the additional hiring and also covers pay raises, promotions and within grade increases.

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The additional 3 FTE will support the Facilities/Management Services function for operations and maintenance of the Weaver Building and HUD Satellite Facilities located in the Washington, DC metropolitan area. These resources are required to address critical infrastructure issues in the 47 year-old Weaver Building, where major systems have surpassed their useful life cycle and need immediate replacement. Examples include elevator and equipment room air conditioning (A/C) units; basement sump pump systems; building chillers; building power loads to accommodate 21st Century equipment; public announcement system upgrades; and surface parking lot repaving.

- The Office of Administration split from the Office of the Chief Human Capital Officer and subsequently reorganized in fiscal year 2014. The reorganization will continue into 2016 and has resulted in the following realignments to date:
 - A Digital Enterprise function was established as a result of realigning the graphics, documents, and telecommunications workload from the Broadcasting and Facilities/Management functions. Thirty FTE from the Facilities/Management Services and nine FTE from the Broadcasting functions were realigned to support this function.
 - The Executive Scheduling/Advance Team (7 FTE) support for HUD's Secretary and Deputy Secretary were realigned from Business Operations function to the Executive Secretariat function.
 - One hundred four FTE for field operations were realigned from the Facilities/Management Services function to the new Field Support Services function. The Facilities/Management Services function for the Weaver Building and Washington DC satellite locations retains 30 FTE, with a fiscal year 2016 request of three additional FTE.
 - The Accountability function is absorbed into other functions throughout the organization as collateral duties in fiscal year 2016.

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Function	Personnel Services Functional Summary					
	(Dollars in Thousands)					
	FY 2014		FY 2015		FY 2016	
	FTE	Cost	FTE	Cost	FTE	Cost
Business Operations	8.7	\$1,089	18.0	\$2,268	10.0	\$1,277
Accountability	1.0	\$126	2.0	\$252	-	-
Broadcasting	8.0	\$1,005	9.0	\$1,134	-	-
Facilities/Management Services	162.5	\$20,426	160.0	\$20,160	33.0	\$4,214
Field Support Services	-	-	-	-	104.0	\$13,281
Executive Secretariat	30.0	\$3,770	30.0	\$3,780	37.0	\$4,725
Digital Enterprise	-	-	-	-	39.0	\$4,980
Disaster Management & National Security	22.0	\$2,765	19.0	\$2,394	18.0	\$2,299
Total	232.2	\$29,181	238.0	\$29,988	241.0	\$30,776

KEY WORKLOAD INDICATORS				
Workload Indicator	FY 2014	FY 2015	FY 2016	FY 2015 to FY 2016
Number of facility square feet reduced nationwide	97,113	78,174	55,043	(23,131)
Number of correspondence documents managed	10,589	10,600	10,620	20
Number of broadcast, webcast, audio/visual, media and photographic events performed	1,284	1,435	1,500	65
Number of telecommunications equipment managed	7,053	7,225	7,310	85
Number of Field facilities and space management sites served	72	64	64	-

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The Office of Administration's primary workload driver is its efforts to decrease office space to reduce rent costs, align space to fit a reduced number of employees, and align the offices to new space utilization standards that meet the Presidential energy reduction standards. In fiscal year 2014, the Department realized a 97,113 square foot reduction. The anticipated reduction for fiscal year 2015 is 78,174 square feet, and it is expected that an additional 55,043 square feet will be reduced in fiscal year 2016 based on continued field and headquarters relocations and realignments.

Non-Personnel Services

Non-Personnel Services - The primary drivers of the net increase of \$9,716K (primarily \$2,943K in BOC 2300 (Rent/Utilities) and \$7,106K in BOC 2500 (Other Services/Contracts)) are the following:

- Weaver Building Construction and Maintenance projects estimated at \$1,806K: There are a number of construction and maintenance projects that are in critical stages of disrepair. These projects are essential to the safety, health, and well-being of the building employees. Funding will be utilized to make structural water leak corrections; building and sub-basement waterproofing repairs; loading dock concrete repairs; heating, ventilation and air conditioning (HVAC) system repairs; and drinking water system repairs.
- Relocation costs estimated at \$3,400K for four Field Offices due to lease expirations: Minneapolis, Nashville, Kansas City, and Washington, DC.
- Supplies: OA has achieved significant savings of \$378K in Supplies as a result of a reduction in cut-sheet paper costs for the photocopiers. The photocopiers, i.e., multifunctional devices, require employees to make double-sided copies and provide scanning, facsimile, and email capability services, thereby reducing the need for paper.
- Rent/Utilities increase by \$2,943K: Although HUD continues to reduce its overall facility space footprint, increases in Rent/Utility costs in fiscal year 2016 are a result of the following:
 - GSA leases include annual increases for utilities and services provided by the lessor. In some instances, GSA also allows for shell rent increases after incremental periods in longer term leases. When leases expire, HUD often moves into different and smaller space. However, current market rents in most Metropolitan Statistical Areas are far higher than they were 10-20 years ago when the expiring leases were signed. Therefore, HUD often pays more annual rent for less space.
 - Extreme weather patterns and rising energy and water costs create higher utilities costs.

SUMMARY OF SYSTEMS/TOOLS REQUIRED TO MANAGE PROGRAM

The Office of Administration manages information technology (IT) systems in the following two segments: Administrative Management, and Digital Asset Services.

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Administrative Management (AM)

The Office of Facilities Management Services (OFMS) systems supports the HUD mission by managing, monitoring and providing accountability of HUD Facilities, Property, and Assets; moreover, OFMS IT systems provide financial accountability and valuation data and reports for the Chief Financial Officer (CFO) General Ledger reconciliation process, and provides support for the effective management of a wide variety of administrative services activities. Additional OFMS IT systems capabilities include: tracking inventory from acquisition through disposal; consolidating property data into a central repository; managing tasks resulting from HUD personnel requests to acquire needed goods and services; managing other administrative tasks such as telecommunications, office alterations (including electrical, plumbing, ventilation, lighting, etc.), and the physical realignment of offices. Other requests that OFMS IT systems support are creating, updating, and/or altering books, booklets, pamphlets, banners, posters, advertisements, PowerPoint presentations, awards, training materials, etc. in digital format and/or layouts. These printed products are critical to HUD's mission because they keep the public informed of HUD's purpose and mission, and the HUD programs that benefit the public. These systems also create internal communication products that keep HUD's employees informed of events and training programs and provide an automated HUD phonebook via the HUD Locator.

Digital Asset Services (DSA)

The Executive Secretariat (Exec Sec) is the primary stakeholder for the investment called Document Management Services. There are five document management related IT systems that support the Executive Secretariat to carry out its mission: the correspondence tracking system (CTS), the Freedom of Information Act System, Direct Distribution Spectrum Plus, HUD Electronic Metering Board (HEMDB), the OCFO Library and the Office of Housing's TransAccess (The Mortgage and Quality Assurance Document Libraries are being retired and no longer need funding). These IT systems support the variety of tasks associated with document management ranging from creation to storing to distribution of documents as well as postage metering and tracking/reporting of all internal correspondences at the executive level.