

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
PROGRAM OFFICE SALARIES AND EXPENSES
OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY**

Program Area Overview:

The Office of Fair Housing and Equal Opportunity's (FHEO) mission is "To eliminate housing discrimination, promote economic opportunity, and achieve diverse, inclusive communities by leading the nation in the enforcement, administration, development, and public understanding of federal fair housing policies and laws." FHEO's cardinal mission, therefore, is to create equal housing opportunities for all persons living in America by administering laws that prohibit housing discrimination on the basis of race, color, religion, sex, national origin, age, disability, and familial status.

FHEO is the lead office for ensuring that the Department and recipients of HUD funding comply with their duty to affirmatively further fair housing, with a proposed new rule and the development of training and technical assistance content underway. This responsibility affects almost every program in the Department. Preparing for, and implementing, the new final rule, involves primarily the Offices of Fair Housing and Equal Opportunity, Public and Indian Housing and Community Planning and Development and will create significant additional levels of work. In addition to enforcement of federal housing civil rights laws, FHEO staff manages more than 8,500 complaint investigations through the Fair Housing Assistance Program (FHAP). This program funds approximately 90 state and local government Fair Housing Act enforcement agencies. FHEO administers and oversees the Fair Housing Initiatives Program (FHIP) funding more than 200 private fair housing groups and non-profits nationally through a grant award process. Furthermore, FHEO also enforces Section 3 of the Housing and Urban Development Act of 1968 and provides oversight and technical assistance to local housing authorities and community development agencies to ensure that HUD investments result in economic opportunities for low income individuals, public housing residents, and the businesses that employ them. The Section 3 policy is also identified in the 2014 Strategic Plan as a policy priority.

Program Office Salaries Expenses-Office of Fair Housing and Equal Opportunity

TOTAL - SALARIES AND EXPENSES				
(Dollars in Thousands)				
	FY 2014	FY 2015	FY 2016	FY 2015 to FY 2016
Personnel Services	\$66,883	\$66,521	\$79,457	\$12,936
Non-Personnel Services				
Travel	762	787	831	44
Rent/Utilities	0	2	2	0
Printing	17	10	10	0
Other Services/Contracts	425	510	590	80
Training	127	150	190	40
Supplies	22	20	20	0
Non-Personnel Subtotal	1,353	1,479	1,643	164
GRAND TOTAL	\$68,236	\$68,000	\$81,100	\$13,100
Associated FTE	527.2	515.8	607.9	92.1

DESCRIPTION OF CHANGE FROM FY 2015 TO FY 2016

FHEO requests \$81,100K in fiscal year 2016, an increase from fiscal year 2015 enacted of \$13,100K.

Personnel Services: FHEO requests \$79,457K and 607.9 Full-Time Equivalents (FTE) in fiscal year 2016, an increase from fiscal year 2015 enacted of \$12,936K and 92.1 FTE. The increase in funding will support additional hiring, the pay raise, promotions and within grade increases. The increased FTE will:

- Implement the Affirmatively Furthering Fair Housing Rule (AFFH). The increase of 38 FTE will ensure the rule is effective at achieving a fair housing outcome by supporting our partners who must comply with the regulation on the ground. These FTE will do the following:
 - Provide up front guidance and training. In order to provide program participants with the data, resources, information, and support needed to succeed in this exercise, HUD plans to provide extensive guidance and training to all program participants and direct Technical Assistance (TA) where needed. Development of guidance and training materials will begin in fiscal year 2015, but will need to be completed and delivered in fiscal year 2016 and beyond.

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- Review Assessments of Fair Housing (AFH) submissions and provide technical assistance to approximately 1,245 Community Planning and Development (CPD) jurisdictions, over 3,000 Public Housing Agencies (PHAs) review. In fiscal year 2016, FHEO estimates it will review an estimated 127 AFHs from CPD grantees in fiscal year 2016 and approximately 200 AFHs from PHAs.
 - Provide TA in order to ensure that CPD jurisdictions and PHAs are in the best position to submit a successful AFH; FHEO expects to provide significant TA to these recipients. TA will need to be provided to an estimated 83 CPD grantees and 200 PHAs in fiscal year 2016, who will submit in fiscal year 2017.
 - Review Consolidated Plans and PHA Annual Action Plans to evaluate application of AFH and progress on fair housing goals. Program participants will submit action plans 7.5 months after their AFH submissions. These action plans will address the goals identified in the AFHs. The action plans will be incorporated into Consolidated Plans (for CPD grantees) and 5-year PHA Plans (for PHAs) and will need a substantive fair housing review under the standards established in the AFFH regulation.
 - Evaluate the implementation of the AFFH rule and propose modifications to streamline or standardize the review process.
- Support the Department in carrying out its obligation to conduct the civil rights reviews of Rental Assistance Demonstration (RAD): Four new FTE. FHEO's civil rights reviews of RAD conversions consists of performing a range of activities throughout the conversion process including site and neighborhood, PHA Plan, threshold, accessibility and relocation reviews as well as Affirmative Fair Housing Marketing Plan (AFHMP) review and approvals. This staffing level also provides additional staff to conduct compliance reviews in order to ensure that Housing Authorities seeking to convert units under RAD are in compliance with applicable civil rights laws, as was needed in the RAD conversion of the Laurel Housing Authority.
 - Provide timely and complete investigations of complaints filed under the Fair Housing Act, Title VI, Section 504 and the ADA: 16.4 new FTE. These FTE dedicated to investigations would allow FHEO to complete an additional 300 Title VIII investigations and 120 investigations under concurrent authorities. This will allow us to reduce backlog and increase our responsiveness to the public.
 - Monitoring of CPD, PIH, and Housing grantees for compliance with civil rights laws: 33.7 new FTE. Staff will also be used to resolve outstanding compliance reviews, which should lead to a substantial increase in the number of completed compliance reviews for fiscal year 2016.

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	Personnel Services Functional Summary					
	(Dollars in Thousands)					
	FY 2014		FY 2015		FY 2016	
Function	FTE	Cost	FTE	Cost	FTE	Cost
Compliance and Monitoring	122.7	\$15,566	122.5	\$15,798	195.8	\$25,587
Investigations	261.6	\$33,188	251.7	\$32,461	268.1	\$35,044
Immediate Office of AS and Policy Oversight	43.4	\$5,506	43.4	\$5,597	42.1	\$5,508
Policy Development and Review	24.7	\$3,134	23.3	\$3,005	27.6	\$3,607
Education and Outreach	16.9	\$2,144	16.9	\$2,180	16.9	\$2,209
Fair Housing Initiatives Program (FHIP)	25.5	\$3,235	25.5	\$3,289	25.5	\$3,333
Fair Housing Assistance Program (FHAP)	32.4	\$4,110	32.5	\$4,191	31.9	\$4,169
Total	527.2	\$66,883	515.8	\$66,521	607.9	\$79,457

KEY WORKLOAD INDICATORS				
Workload Indicator	FY 2014	FY 2015	FY 2016	FY 2015 to FY 2016
Number of FHEO Field Title VIII Complaints Processed	1,490	1,520	1,820	300
Number of FHEO Field Compliance Reviews	21	59	139	80
Number of Public Housing Agencies managed and 202/811 Reviews conducted	4,384	4,404	4,307	(97)
Number of CPD Grantees managed	1,228	1,221	1,245	24
Number of FHEO Field Concurrent Jurisdiction Investigations	1,253	1,328	1,448	120

- FHEO Field Title VIII Complaints Processed is increasing almost 20 percent from fiscal year 2015 due to a growing backlog of Title VIII investigations, which is prompting a request for additional staff and efforts to streamline our investigative process. We anticipate that by fiscal year 2016 we will see the results of these efforts, which should result in increased case closures and a reduction of this backlog.

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- FHEO Field Compliance Reviews is increasing more than 135 percent from fiscal year 2015 due to FHEO's redesign of compliance efforts as part of the new AFFH rule. FHEO intends to expand our current Compliance Review efforts, streamline the compliance process to reduce the effort per review, and also resolve outstanding compliance reviews, which should lead to a substantial increase in the number of completed compliance reviews for fiscal year 2016.
- Monitoring of PIH and Housing Programs will have a 2 percent reduction in fiscal year 2016 as a result of fewer 202/811-related documents requiring review by FHEO.
- FHEO Field Concurrent Jurisdiction Investigations workload is increasing by 9 percent from fiscal year 2015; therefore, additional staff is needed to support this activity.

Non-Personnel Services: An increase of \$164K is based on the following:

- Increase in Travel by \$44K - to support increase in compliance, monitoring, and AFFH activities. Travel will also support technical assistance, training, and guidance as well as the conducting of the civil rights reviews of the RAD conversions including performing site and neighborhood, PHA plan, threshold, and accessibility and relocation reviews.
- Increase in Other Services by \$80K – for contracts related to developing internal training material for AFFH activities and an Architectural Expert Indefinite Delivery Indefinite Quantity (IDIQ) contract which will eliminate ad hoc funding for expert services.
- Increase in Training by \$40K – as FHEO grows, increased training will ensure that best practice concepts and state-of-the-art technology are used to maintain a highly skilled workforce and accomplish FHEO's mission.

SUMMARY OF SYSTEMS/TOOLS REQUIRED TO MANAGE PROGRAM

Section 3 Summary Reporting System

The Section 3 Summary Reporting System is the vehicle by which 8,600 agencies that receive covered HUD assistance submit annual reports demonstrating their compliance with the regulatory requirements of Section 3 at 24 CFR Part 135. Data entered into this system is used by FHEO to report outcomes for Strategic Plan Goals, produce reports for Congress, and conduct enforcement activities. Further, in 2016 FHEO will be publishing a new Section 3 regulation which will result in the need for substantive revisions to the existing Section 3 Summary Reporting System to ensure that it is consistent with the new regulatory requirements.

AFFH User Interface Tool

The AFFH Tool will provide a means to properly plan how to affirmatively further fair housing by local governments and States that receive Community Development Block Grant (CDBG) funding, HOME Investment Partnership (HOME) funding, Emergency Solutions Grants (ESG), and funding through Housing Opportunities for Persons With AIDS (HOPWA), as well as public housing agencies (PHAs). To better facilitate this obligation, as well as address issues raised by the Government Accountability Office. HUD proposes an improved structure and process whereby HUD would provide the above program participants with guidance, data, and an assessment template from which they would complete an assessment of fair housing (the AFH). This assessment would link to Consolidated Plans, PHA Plans, and Capital Fund Plans to prevent duplication and lessen the workload.