

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
ADMINISTRATIVE SUPPORT OFFICE  
OFFICE OF THE CHIEF FINANCIAL OFFICER**

*(Dollars in Thousands)*

	<b>FY 2017 Actuals</b>	<b>FY 2018 Annualized CR</b>	<b>FY 2019 President's Budget</b>
Personnel Services	26,640	26,934	26,430
Common Distributable	7,077	7,000	7,000
<b>Personnel Services Subtotal</b>	<b>\$33,717</b>	<b>\$33,934</b>	<b>\$33,430</b>
<b>Non-Personnel Services</b>			
Travel	142	150	150
Printing	9	46	46
Other services/Contracts	14,260	14,827	10,023
Training	14	195	195
Supplies	26	45	45
<b>Non-Personnel Services Subtotal</b>	<b>\$14,451</b>	<b>\$15,263</b>	<b>\$10,459</b>
Working Capital Fund	\$3,659	\$3,443	\$3,991
<b>Grand Total</b>	<b>\$51,827</b>	<b>\$52,640</b>	<b>\$47,880</b>
<b>Associated FTE</b>	<b>175</b>	<b>169</b>	<b>164</b>

**1. Program Purpose and Fiscal Year 2019 Budget Overview**

The Office of the Chief Financial Officer (OCFO) provides HUD-wide leadership to support HUD's mission through sound financial management in programs and operations. OCFO leads HUD in practicing financial integrity, financial responsibly, accountability, and stewardship of public resources. While advising the Secretary and HUD leadership on all aspects of financial management and budget, OCFO works to ensure that HUD meets established financial management goals and complies with pertinent legislation and directives. In addition, OCFO analyzes budgetary implication of policy and legislative proposal and oversees budget activities throughout HUD.

## Administrative Support Offices - Office of the Chief Financial Officer

The fiscal year 2019 President's Budget of \$47,880K is \$4,760K less than the fiscal year 2018 Annualized CR level. The fiscal year 2019 President's Budget will support optimal outcomes for HUD's mission through consistent, strong financial management and internal controls across HUD; transparent, accurate, and timely financial reporting; best shared practices; and continued focus on building and sustaining HUD's core workforce in Budget, Accounting, Systems and Financial Management.

**Personnel Services (PS)**: OCFO requests \$26,430K to support an estimated 164 Full-Time Equivalents (FTE) – a decrease of \$504K and 5 FTE from the fiscal year 2018 Annualized CR level. The decrease in FTE is attributed to realigning funding for the Working Capital Fund (WCF) FTE from OCFO and allocating it across all Program Offices within the Department to support the move to full cost recovery of WCF operations in fiscal year 2019.

**Common Distributable (CD)**: OCFO requests \$7,000K, to support its Common Distributable payments for Professional Liability Insurance, Worker's Compensation and Unemployment Compensation. This request is level with fiscal year 2018 Annualized CR level.

**Non-Personnel Services (NPS)**: OCFO requests \$10,495K to support funding requirements for Travel, Printing, Contracts/Other Services, Training, and Supplies. The fiscal year 2019 request reflects a reduction of \$4,804K from fiscal year 2018 Annualized CR level as a result of cost savings from OCFO's fiscal year 2018 contract consolidation and other efficiencies. Additionally, NPS funding of approximately \$1,300K to support the WCF Operations was realigned from OCFO and allocated across all Program Offices within the Department to support the move to full cost recovery in fiscal year 2019.

**Working Capital Fund (WCF)**: In 2016, OCFO established the Department's WCF as provided in the 2016 Consolidated Appropriations Act. For fiscal year 2019, OCFO requests \$3,991K to pay WCF fees for shared services and other investments as directed by the Secretary.

## 2. Key Operational Initiatives

- Maturing the WCF Fund. The WCF is a mechanism for HUD to finance enterprise goods and services that supports more efficient operations, stronger governance, and increased transparency. In fiscal year 2019, the Department will make further towards a true WCF by incorporating full cost recovery of WCF operations. Funding for staffing and non-personnel services of the WCF Division are removed from the OCFO budget and allocated across all HUD Program Operations based on cost drivers approved by the WCF committee.

## Administrative Support Offices - Office of the Chief Financial Officer

- **Mitigating Risk.** The position of Chief Risk Officer for the Department will realign back to OCFO and manage the Enterprise Risk Management program. Working with individual program office risk functions, OCFO will continue to work towards consolidating and streamlining requirements around Front End Risk Assessments and FAIR Act reporting.
- **Improving Financial Governance and progress towards regaining our Clean Audit opinion.** In fiscal year 2019 HUD will continue to strengthen its financial governance through a collaborative approach with OCFO and other Program offices. Through a multi-year integrated audit remediation approach, commonalities among HUD's material weaknesses are being evaluated for discussion and resolution to address long-standing issues holistically.
- **Data Management and Reporting.** The key factors driving changes in OCFO's Non-Personnel Services requirements include cross-cutting reporting requirements that support the development and maintenance of budget reporting tools that will provide user-friendly status of funds and financial analysis; compliance with DATA Act reporting requirements.