

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
PROGRAM OFFICES SALARIES AND EXPENSES  
OFFICE OF POLICY DEVELOPMENT AND RESEARCH**

*(Dollars in Thousands)*

	<b>FY 2017 Actuals</b>	<b>FY 2018 Annualized CR</b>	<b>FY 2019 President's Budget</b>
<b>Personnel Services</b>	<b>\$21,097</b>	<b>\$21,380</b>	<b>\$22,755</b>
<b>Non-Personnel Services</b>			
Travel	228	244	231
Printing	118	120	120
Other services/Contracts	651	748	689
Training	281	210	238
Supplies	11	20	20
Furniture and Equipment	23	-	-
Claims and Indemnities	41	41	41
<b>Non-Personnel Services Subtotal</b>	<b>\$1,353</b>	<b>\$1,383</b>	<b>\$1,339</b>
Working Capital Fund	\$1,183	\$1,074	\$1,272
<b>Grand Total</b>	<b>\$23,633</b>	<b>\$23,837</b>	<b>\$25,366</b>
<b>Associated FTE</b>	<b>142</b>	<b>139</b>	<b>147</b>

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

The Office of Policy Development and Research (PD&R) supports the Department of Housing and Urban Development's (HUD's) efforts to help create cohesive, economically healthy communities. PD&R is responsible for maintaining current information on housing needs, market conditions, and existing programs, as well as conducting research on priority housing and community development issues. PD&R's research, surveys and policy analyses inform all aspects of HUD programs, providing a comprehensive and historical understanding of past program performance as well as objective data for policymakers and stakeholders to make informed decisions. PD&R provides economic information, research, and analyses and policy recommendations to the Secretary, Deputy Secretary, Assistant Secretaries, and principal staff.

## Program Office Salaries and Expenses-Office of Policy Development and Research

In addition to the Office of the Assistant Secretary and supporting divisions of budget/procurement planning and administration, there are four<sup>1</sup> program offices within PD&R. There is extensive cross collaboration between these four offices:

- The Office of Economic Affairs (OEA) analyzes the economic impact of HUD and other federal regulatory and legislative proposals, directs the program of surveys of national housing conditions, analyzes private sector data on mortgage markets, supports Federal Housing Administration (FHA) operations, develops program operating parameters for HUD rental assistance programs and government programs, and provides data on the socioeconomic and housing market conditions of cities, counties, and states.
- The Office of Research Evaluation and Monitoring (OREM) staff designs and oversees HUD-funded research, evaluation, and monitoring efforts for a wide variety of HUD programs and activities, including critical research that shows what programs do and do not help work-able families to achieve self-sufficiency, whether changes in service delivery can prevent or delay institutionalization of tenants who are elderly or have disabilities, what homelessness prevention programs are most cost-effective, and how to economically increase the energy efficiency of public and assisted housing. Staff in OREM also conduct in-house research, programming, and geospatial analysis. The office develops and maintains administrative data spanning more than 20 years across all of HUD's programs and uses the data to provide situational awareness for immediate policy issues and to facilitate more extensive studies. Such studies often involve data linkages with survey data and administrative data from other agencies to provide in-depth knowledge on whom HUD serves and how well HUD serves them. This capability is critical for understanding the most efficient and effective path to maintain services for low-income and vulnerable households in a resource constrained environment. It also informs and supports the tracking of HUD's efforts to promote healthy and lead-safe housing.
- The Office of Policy Development (OPD) engages in policy analysis, policy development, research and data analysis, and dissemination of policy and research findings. In addition, OPD analyzes legislative proposals, develops legislative initiatives, interprets statutory guidance, prepares regulatory guidance, and coordinates HUD-wide Technical Assistance. In fiscal year 2019, the Office of International and Philanthropic Innovation (OIPI) will be realigned under OPD to create the International and Philanthropic Engagement Division (IPED).

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<sup>1</sup> The Office of University Partnerships (OUP) is proposed in Fiscal Year 2019 to be renamed the Grants Management and University Partnerships Division (GMUPD) reporting to the General Deputy Assistant Secretary. This division will continue to administer the Research Partnerships program and the Research Notice of Funding Availability. These efforts leverage the intellectual and financial resources of the private sector to inform the important policy and program objectives of HUD. Research Partnerships provide HUD support for funding for great research that is important to HUD's mission and is both proposed and partially funded by outside parties. The NOFA invites creativity around how to answer challenging research questions.

## Program Office Salaries and Expenses-Office of Policy Development and Research

- In fiscal year 2019, PD&R will add the Office of Innovation. The office will focus on testing and validating solutions to state, local, and federal housing and community development problems and will be comprised of three main components:
  - The Building Technology Component will focus on the need for more resilient housing in disaster prone areas and more affordable housing nationwide by identifying, evaluating and incentivizing the adoption of resilient and affordable housing construction methods and materials.
  - The Internal Innovation Component will facilitate innovation workshops for small teams to improve the way their program or office works.
  - The Open Innovation Component will engage the expertise, methods and tools of the private sector such as open data, crowdsourcing, challenges and prizes, and entrepreneurs in residence.

The fiscal year 2019 President's Budget of \$25,366K is \$1,529K more than the fiscal year 2018 Annualized Continuing Resolution (CR) level.

**Personnel Services (PS)**: PDR requests \$22,755K to support 147 Full Time Equivalents (FTE), a net increase of 8 FTE from the fiscal year 2018 Annualized CR level. The request includes funding for 10 FTE associated with the new Office of Innovation.

**Non-Personnel Services (NPS)**: PDR requests \$1,339K, a slight decrease of \$44K below the fiscal year 2018 Annualized CR level. The funding will support PDR's contracts, travel, training, printing, and supplies.

**Working Capital Fund (WCF)**: The request provides \$1,272K for the WCF to support its use of shared services and other investments as directed by the Secretary.

## 2. Key Operational Initiatives

- PD&R's staff are striving to gain efficiencies and improvements within PD&R and across the Department through the following Operational Initiatives:
  - Budget staff generating operational efficiencies in financial systems reporting capabilities for HUD-wide use.
  - PD&R's Enterprise Geospatial Information System (eGIS) staff:
    - Designed and developed the Community Assessment Reporting Tool (CART) with the Office of Field Policy and Management – a public facing web-based and mobile tool that provides mapping and tabular data of HUD's investments in communities across the United States.
    - Designed the HUD Resource Locator (HRL) - a web-based and mobile tool that eliminates duplicity and provides a single portal for the public to access information about federal housing resources within their community.

## Program Office Salaries and Expenses-Office of Policy Development and Research

- PD&R's Economic Affairs staff:
  - Continued to utilize a very comprehensive web-based work-tracking system developed to manage the Comprehensive Housing Market Analysis Reports (COMP) for Metropolitan Statistical Areas and counties process, reducing report publication time by 50 percent.
  - Utilized centralized and standardized routine data updating processes, delegating the more routine data updating tasks to field organization; thereby freeing up valuable resources for more advanced development efforts.
  - Continued to utilize standardized and centralized geographical definitions used across all analytical tools to simplify administration, ensuring consistency, and reducing related problem resolution efforts as well as development efforts related to future geography definition changes.
  - Continued to leverage the data analytics and business intelligence software (SAS/BI) server as a centralized data resource through the addition of critical datasets, facilitating independent analyses and significantly reducing resource requirements for the fulfillment of ad-hoc requests.
  - Utilized the automated reporting of SAS/BI user activity, developed to streamline the administration of Online Integrated Information System (OPIIS) access for Housing.
  - Established an in-house training program for Field Economists resulting in a cost avoidance of \$144K.
- In fiscal year 2019, the Office of International and Philanthropic Innovation (OIPI) will be realigned under OPD to create the International and Philanthropic Engagement Division (IPED). This realignment is intended to improve the transfer of ideas between the philanthropic community and other nations with the program and policy development within HUD and to our community of grantees and partners.
- In fiscal year 2019, PD&R will add the Office of Innovation. The Office of Innovation will energize the implementation and adoption of innovative best practices across the Department and operationalize research and analysis performed by the other offices of PD&R. Its mission will be to enable innovation in programs, policies and procedures; empower employees to identify and solve problems and improve efficiency; facilitate the adoption of new technology, materials and methods in housing construction; and serve as a point of entry and clearing house for innovative ideas from the private sector to improve the performance of the Department and solve housing and community development challenges. It will be modeled on the Department of Health and Human Services' Innovation, Design, Entrepreneurship, Action (IDEA) Lab (<https://www.hhs.gov/idealab/>); the office will devise, test and validate solutions through the three components identified in paragraph 1, above.