

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

(Dollars in Thousands)

	FY 2016 Actuals	FY 2017 Annualized CR	FY 2018 President's Budget
Personnel Services	\$30,451	\$30,861	\$33,346
Non-Personnel Services			
Travel	1,631	1,853	1,853
Transportation of Things	259	355	355
Rent and Utilities	124,448	128,745	128,676
Printing	79	100	100
Other services/Contracts	45,204	40,967	36,227
Training	158	175	175
Supplies	1,172	1,100	1,100
Furniture and Equipment	6,934	3,046	3,046
Claims and Indemnities	353	3	-
Non-Personnel Services Subtotal*	\$180,238	\$176,344	\$171,532
Working Capital Fund (WCF)	-	-	\$995
Grand Total	\$210,689	\$207,205	\$205,873
Associated FTE	229.5	227.6	240.1

*FY 2016 actual includes \$4M of transfers of lapsed funds

1. Program Purpose and Fiscal Year 2018 Budget Overview

The Office of Administration (OA) plays a critical role in supporting HUD by providing a wide-range of administrative services, including management and operation of buildings nationwide, providing administrative services to all field offices, processing Freedom of Information Act (FOIA) requests, managing information throughout its life cycle, overseeing HUD broadcasting, and

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coordinating responses to disasters and emergencies. OA seeks to maximize the value of every taxpayer dollar by continuously improving planning, processes, accountability, and transparency, and through customer service feedback mechanisms.

The fiscal year 2018 President's Budget request of \$205,873K is \$1,332K less than the fiscal year 2017 Annualized CR level. This total includes \$995K for OA's allocation towards the Working Capital Fund (WCF). The majority of OA's request pays for rent and utilities, approximately \$128,676K. Approximately \$77,197K supports other core OA functions.

Personnel Services (PS): The fiscal year 2018 President's Budget provides \$33,346K in personnel services to support 240.1 FTEs. This is \$2,485K more than the fiscal year 2017 CR level. The Budget supports the funding of several key positions, offset by reductions in non-personnel services expenses, which provide leadership and subject matter expertise for critical Administrative functions. These positions will play a critical role in how HUD responds to disasters; responds and prevents privacy incidents; manages and maintains building infrastructure; processes FOIA requests; and manages its agency records. The additional FTE will allow HUD to adequately plan for and support FEMA mission assignments; minimize risk of delays and significant cost overruns in facility infrastructure projects; and reduce potential loss of records allowing HUD to comply with FOIA requests, decreasing its exposure to litigation and oversight risks.

Non-Personnel Services (NPS): The fiscal year 2018 President's Budget provides \$171,532K in non-personnel services. This is \$4,812K less than the fiscal year 2017 CR level, which primarily reflects the completion of several non-recurring special projects that are anticipated to be finalized in fiscal year 2017 (e.g., the Public and Indian Housing (PIH) and Community Planning and Development (CDP) office space consolidations). OA is reviewing all contracts to achieve efficiencies by rescoping, eliminating, and consolidating functions and services. Funds will support:

- Maintenance and extraordinary repairs for the 50-year-old Robert E. Weaver Federal Building;
- Field Operations for space and facilities management, vehicle fleet, telecommunications services and supplies;
- Disaster coordination, and personal security for the Secretary and Deputy Secretary;
- HUD rent, telecommunications, and utilities costs;
- HUD records management; and
- Obsolete furniture replacement and equipment for broadcasting operations.

Working Capital Fund (WCF): The fiscal year 2018 President's Budget also request \$995K to support WCF fees for shared services and other investments as directed by the Secretary.

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Priorities:

- Just as the nature of work has changed since 1968, so has space and technology requirements for employees. The Robert E. Weaver Federal Building, which was completed in 1968 and added to the National Register of Historic Places in 2008, has outlived its lifespan and is outdated. It no longer helps its occupants the same way it once did when it was first built. One of OA's top priorities is to continue modernizing Headquarters – physically and mechanically – as best as it can to accommodate staff in the National Capital Region. At the same time, providing administrative services to the 64 field offices, where two-thirds of HUD's personnel execute the mission, is an important function of OA. In fiscal year 2018, OA will dedicate approximately \$15 million of its non-rent and utilities budget for field support services, which are delivered through a consolidated approach and are funded centrally in OA. This enables HUD to leverage savings through economies of scale and increased efficiencies.
- One of OA's other top priorities is to continue improving how HUD manages information, such as requests by the public and records management. Under FOIA, Federal Agencies are required to disclose any information requested under the FOIA request – subject to certain exemptions. OA is committed to finding ways to improve FOIA operations (e.g., processing requests in an efficient, timely, and appropriate manner and achieving tangible, measurable improvements in FOIA processing). OA also is responsible for the management of information throughout its life cycle, from the time of creation or inscription to its eventual disposition, including identifying, classifying, storing, securing, retrieving, tracking and destroying or permanently preserving records. OA is committed to finding ways to improve operations that reduce and mitigate the risk associated with managing HUD's activities.

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2. Full-time Equivalents

Full-time Equivalents			
Staffing	FY 2016 FTE	FY 2017 FTE (Est)	FY 2018 FTE (Est)
Office of the Chief Administrative Officer	19	19	22
Executive Scheduling	3	3	3
Office of the Executive Secretariat	30	29	32
Field Support Services	102	101	101
Office of Disaster Management	20	20	21
Communications Support	24	24	25
Office of Facilities	31.5	31.6	36.1
Total	229.5	227.6	240.1

3. Key Operational Initiatives

- Freeze the Footprint.** OA continues its effort to meet the goals outlined in OMB Memorandum M-12-12, Section 3, "Freeze the Footprint." In 2015 and 2016, HUD realized a space reduction of 116,219 square feet. In 2017 and 2018, HUD estimates that it will be able to eliminate another 58,011 square feet of space.
- Headquarters Bathrooms.** In fiscal year 2017, OA embarked on a 2-year project to replace the existing restroom sanitary (waste) plumbing in the Robert E. Weaver Federal Building. This project will replace the current sanitary pipes with modern PVC piping. The building's 50-year-old pipes have surpassed their useful life, and this project will help prevent future pipe failure and enable future improvements in bathroom fixtures and operability.

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- **Customer Service.** OA continues to consolidate selected Customer Relations Management activities to improve customer experiences in areas such as accurate information, timely response, and providing savings and efficiency. Plans also include the ability to assess customer service experience across multiple areas with standardized metrics while ensuring front-line customer service representatives are prepared and supported in a robust manner.

FOIA. To date, OA has received 2,345 requests, a 14 percent increase from the same period in fiscal year 2016 and anticipates a similar workload increase in fiscal year 2018. The fiscal year 2018 President's Budget request supports the hiring of a critical management position that oversees FOIA requests. With this designated supervisor, OA will be able to strategically manage the anticipated additional FOIA requests.

- **Telephones.** As much as possible, OA has consolidated – and will continue to consolidate – service contracts to help reduce operating costs. For example, in fiscal year 2017, OA reduced the cost of telephone services for field offices by \$440K, or 22 percent compared to fiscal year 2016, by replacing aging, inefficient phone systems with modern digital systems with lower operating costs. OA estimates costs could be further reduced by \$160K, by further replacing aging phone systems, for a net \$1 million cost avoidance over the course of 2 years.
- **Privacy.** OA is developing a Privacy Program Plan and is implementing a strategic approach to comply with OMB Circulars A-130, "Managing Information as a Strategic Resource, A-108, Federal Agency Responsibilities for Review, Reporting, and Publication under the Privacy Act" and OMB Memorandum M-17-12, "Preparing for and Responding to a Breach of Personally Identifiable Information." This work is targeted for completion in 2018.
- **Records and Information Management.** OA is revising records retention schedules, implementing an E-mail Records Management via the Capstone Approach, and is implementing new policies to direct HUD to manage electronic records.