

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
PROGRAM OFFICE SALARIES AND EXPENSES
OFFICE OF PUBLIC AND INDIAN HOUSING**

(*\$ in Thousands*)

	FY 2015 Actual	FY 2016 Enacted	FY 2017 Request
Personnel Services	\$184,184	\$194,351	\$196,880
Non-Personnel Services			
Travel	3,048	3,150	2,949
Printing	28	40	40
Other services/Contracts	5,809	5,954	2,746
Training	1,973	1,950	1,550
Supplies	91	55	35
Attorney's Fees	-	-	-
Working Capital Fund	-	-	16,732
Non-Personnel Services Subtotal	\$10,949	\$11,149	\$24,052
Grand Total	\$195,133	\$205,500	\$220,932
Associated FTE	1,349.8	1,396.0	1,390.0

Program Area Overview

The central mission of the Office of Public and Indian Housing (PIH) is to connect nearly 3.3 million of the country's most vulnerable households to a safe, decent and affordable place to call home. PIH partners with more than 4,000 Public Housing Authorities (PHAs) and 566 Tribally Designated Housing Entities (TDHEs) to increase capacity, administer, operate, and modernize their housing inventories; effectively manage their physical assets and financial resources; and facilitate programs that provide supportive services to improve tenant outcomes and create strong, sustainable, inclusive communities and quality affordable homes for all.

In fiscal year 2017, PIH will have approximately 1,390 employees stationed in one Headquarters office, 46 field offices and 6 Native American program area offices. This workforce supports PIH's mission to:

Deliver assistance to low-income families through three core areas:

- Public Housing (Operating and Capital subsidies)
- Tenant-Based Rental Assistance (TBRA) – Housing Choice Vouchers (HCV) program
- Native American programs

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The majority of PIH's effort, with respect to the Department's Strategic Plan, is devoted to HUD Goal 2 – Meet the Need for Quality, Affordable Rental Homes. PIH will continue to support this goal by:

- Improving the financial health of PHAs
- Strengthening core housing program oversight by aligning inspection processes across housing programs and by designing rules and regulations that protect federal investments
- Increasing efforts to assist and mitigate troubled PHAs through earlier detection and increased intervention strategies
- Conducting HCV and Public Housing unit inspections
- Advancing opportunity via programs such as Jobs-Plus, ConnectHome, Family Self Sufficiency and the implementation of the Department's Rental Assistance Demonstration (RAD) Initiative, and the Affirmatively Furthering Fair Housing (AFFH) Rule

Requested Level and Justification

Personnel Services

PIH requests \$196.8M of which \$2.8M is specifically to support federalizing the oversight of HCV inspection process as directed by Congress. The \$196.8 million total will support 1,390 Full-Time Equivalents (FTE), a decrease of 6 FTE from the fiscal year 2016 enacted level.

This funding level supports a workforce committed to its stewardship of federal funds and improving outcomes for residents of HUD-assisted housing. PIH seeks to maintain a workforce with sufficiently diverse skillsets to foster public and private partnerships, encourage the leveraging of federal dollars, provide rigorous financial oversight and monitoring of programs, and design policies that increase the quality and efficiency of our programs and reduce our partners' administrative burdens.

This request continues to support our three core areas as well as supports the workload associated with implementing the Departmental Priority Goals listed below.

- Priority 1 – Affirmatively Furthering Fair Housing (AFFH). PIH will continue to support 10 FTE hired during 2016 in the implementation of the Affirmatively Furthering Fair Housing (AFFH) Rule, which will involve the review, oversight, coordination and providing technical assistance for the Fair Housing Assessments submitted by PHAs.
- Priority 2 – Rental Assistance Demonstration (RAD) Initiative. The number of RAD applications from PHAs for Public Housing units, that will convert into project-based Rental Assistance Contracts and enable them to leverage private capital to address properties capital backlog, is expected to increase as the program expands. By the end of fiscal year 2016, 25 FTE will be on board to review this increasing application load.

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Non-Personnel Services

PIH requests \$24,052K in Non-Personnel Services (NPS) to support Travel, Training, Contracts, supplies and printing. Of this, PIH requests \$2.8 million to support federalization of the HCV inspection process, including support for 20 Full-Time Permanent (FTP) staff to be hired during fiscal year 2016 within the Real Estate Assessment Center. The request includes \$16,732K to pay working capital fund fees for shared services, and other investments determined by the Secretary. The requested NPS funding allows PIH to:

- Conduct the travel necessary for onsite regulatory oversight, monitoring, and the provision of technical assistance to PHAs and TDHEs;
- Ensure that its workforce has the skills and knowledge to perform the mission;
- Procure the contractual support needed to back our programs and the analysis of program data; and
- Evaluate current HCV housing quality standards in order to develop and implement a plan for updating the standards and a schedule to implement a single inspection protocol for public housing and voucher units.

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The following chart reflects FTE by staffing office for fiscal years 2015 – 2017.

Full-time Equivalents			
Staffing	FY 2015 FTE	FY 2016 FTE (Est)	FY 2017 FTE (Est)
Front Office/Assistant Secretary	11.6	14	11.5
Grants Management Center	12.6	12	12
Office of Procurement and Contracting Services	10.4	9	8
Office of Policy, Program and Legislative Initiatives	14	13	13.5
Office of Native American Programs	142.6	146	143
Office of Field Operations	673.9	694	685
Office of Planning, Resource Management and Administrative Services	24.4	22.5	21
Office of Public Housing and Voucher Programs	137.8	143	141
Office of Public Housing Investments	82	90.5	97.5
Real Estate Assessment Center	222.9	235.5	242.5
Office of Budget	17.6	16.5	15
Total	1,349.8	1,396	1,390

Key Operational Initiatives

- Housing Choice Voucher (HCV) inspection federalization. At the direction of Congress, the Real Estate Assessment Center is strengthening HCV oversight by aligning the HCV inspection standard with that of other housing assistance programs. This process will result in the transition to the Uniform Physical Conditions Standards – Voucher (UPCS-V) protocol. In fiscal year 2016, a plan is being implemented for updating the standards and a schedule to implement a single inspection protocol for public housing and voucher units. Initially data was collected on the condition of HCV units and the protocol was developed. federal staff will provide on-site implementation support of UPCS-V at PHAs nationwide; this will involve instructing, coaching, and in-the-field testing and collaboration with PHA inspectors and staff so that they are able to accurately and effectively apply the new, standard inspection protocol.

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- Next Generation Management System (NGMS). NGMS, financed with Information Technology (IT) funds, is a business-driven investment aimed to enhance HUD's Affordable Housing (AH) by achieving the following goals:
 - Facilitate program management
 - Improve end user satisfaction
 - Streamline complex business processes
 - Integrate disparate IT systems into a common, modernized platform

These goals will help improve the agency's ability to accurately quantify budgetary data resources, measure program effectiveness, and scrupulously justify the agency's budget requests. By aligning current and future AH processes, HUD aims to simplify business operations and maximize investment returns with business-driven, service-oriented solutions that employ shared and standardized technology. With accurate Real Estate Assessment Center (REAC) financial data and automated processes, HUD personnel will be able to reduce improper payment errors by identifying operating costs, reserves, and subsidy payment anomalies. Once implemented, NGMS will provide staff with a new set of monitoring, oversight and analysis tools to ensure that allocated federal funds are used efficiently to assist affordable housing participants.

NGMS will build project modules across four dimensions:

1. HUD Operations - Creating a single point of access to data and key information to reduce HUD's administrative burden;
 - a. The Portfolio & Risk Management Tool (PRMT), which is the first module for this dimension. The module allows PIH staff to view data from various PIH IT systems in user friendly "dashboards" that enhance their ability to analyze trends, make better projections, more easily identify issues, and increases PIH's efficiency and effectiveness in utilizing appropriated funds.
2. Financial management - Developing an automated and more accurate process of budget formulation based on real-time data to reduce errors in budget forecasting;
 - a. The Budget Formulation & Forecasting (BFF) module, which is the first module for this dimension. The module provides the capability to perform data validation, partial budget versions and budget formulation.
3. Partner Operations - Providing HUD partners with a single point of access to data that will allow them to better serve their customers and operate more efficiently; and
4. Business support - Expanding the access and use of the NGMS IT advancements to the HUD enterprise level.