

Section A: HUD's Directives Management System

A-1 Authority: HUD's directives management system is maintained pursuant to section 3(a) of the Department of Housing and Urban Development Act (42 U.S.C. 3532(a)), and in compliance with 44 U.S.C. Chapter 29 (Record Management by the Archivist of the United States and by the Administrator of General Services), as implemented by the regulations of the National Archives and Record Administration (NARA) at 36 CFR part 1222. The system reflects the authority of HUD's Secretary to supervise the agency's administration. This handbook documents the requirements and procedures established by HUD for the development, issuance, and maintenance of directives. Oversight of, and waivers from, this handbook are administered by OCHCO.

A-2 Definition of directive: HUD directives primarily supplement statutes, regulations, and HUD or Administration policies to provide practical guidance on how to comply with these legal authorities and policies. For example, HUD issued guidance to HUD constituents on compliance with provisions of the American Recovery and Reinvestment Act that are applicable to HUD programs. In addition, HUD's Funds Control handbook provides guidance to HUD employees on management of HUD funds to ensure compliance with federal financial management systems requirements. Both of these types of guidance constitute directives.

Directives that supplement regulations must be consistent with regulations, and not establish new requirements for which a regulation does not provide a foundation for the establishment of requirements outside the regulation. A regulation may, for example, provide for a supplemental document (directive) to establish more detailed paperwork or reporting requirements, but directives are not intended, for example, to establish new eligibility requirements for a program or other significant program requirements that are intended to be binding on program participants or regulated entities, unless, again, the underlying regulation or statute provides the authority to do so. (Note: Directives are enforceable with respect to any requirements that HUD imposes on itself.) These requirements must be established through rulemaking. The line between rules and guidance is not always clear. OGC provides assistance to help distinguish between rules and guidance. See <http://hudweb.hud.gov/po/c/regsindex.cfm>.

In some cases, statutes leave no discretion to HUD to establish new binding policy or new or revised binding requirements. Statutes are categorized as self-implementing or self-executing, which means that regulations are not necessary for purposes of effectiveness, implementation, or compliance. For statutes, generally, the only regulations that may be needed are conforming regulations; that is to bring the regulations up-to-date with the language of the statute. In such cases, directives may be helpful in announcing to affected program participants that a new statute has been enacted and is operational.

A-3 Objectives: The HUD Directives Handbook is designed to ensure that:

1. Officials and employees administering HUD programs have accurate, complete, and concise instructions on procedures for communicating program policies, whether communicated to the public or internally;
2. HUD constituents have clear, instructive, and helpful information to comply with the applicable requirements and procedures for HUD programs;
3. The content, organization, and format of directives allows for information to be easily located, understood, and used;
4. Directives are kept current, include accurate information essential to program delivery, and are canceled when no longer useful;
5. Directives do not contradict other HUD policies or serve cross-purposes that could confuse the user's ability to comply with federal requirements;
6. HUD directives are developed, cleared, and issued in accordance with all applicable legal authorities and in accordance with this handbook; and
7. HUD directives meet the requirements of the Plain Writing Act of 2010. See <http://www.plainlanguage.gov/pILaw/index.cfm>.

A-4 HUD agency responsibilities: The Chief Human Capital Officer (CHCO), or a CHCO designee, holds lead responsibility for oversight of the HUD directives management system, including compliance with this handbook and exceptions hereto. Four categories of HUD officials hold various levels of responsibilities, starting with HUD's Secretary and concluding with the directives management officer (DMO) for each HUD office:

1. Secretary or Deputy Secretary:
 - a. Approves directives issued by the Secretary's Office;
 - b. Issues major policy and/or procedural guidance that pertains to the Department's overall mission; and
 - c. Resolves irreconcilable differences among Assistant Secretaries concerning proposed directives.
2. Assistant secretaries, office heads, or equivalent HUD Principals (hereafter "HUD Principals") including, but not limited to, the Inspector General, President of the Government National Mortgage Association, General Counsel, Chief Operating Officer,

Chief Financial Officer, Chief Information Officer, Chief Procurement Officer, Chief Disaster and Emergency Management Officer, and Directors of the Center for Faith-Based and Neighborhood Partnerships, Office of Healthy Homes and Lead Hazard Control (OHHLHC), Office of Strategic Planning and Management, Office of Sustainable Housing and Communities, Office of Small and Disadvantaged Business Utilization, Office of Departmental Equal Employment Opportunity, and Office of Departmental Operations and Coordination:

- a. Ensures compliance with this handbook, arranging for staff training as needed;
- b. Appoints a DMO (and alternate), whose duties include, but are not limited to, those described herein;
- c. Approves directives originated by their offices;
- d. Ensures basic agreement within the office of the HUD Principal before a new directive originated by that Principal enters departmental clearance. Such prior office-based clearance is established under procedures appropriate for that office and the type of directive (Note: only the Secretary or Deputy Secretary may exempt an individual HUD Principal from compliance with this handbook, either on a case-by-case basis or across-the-board);
- e. Certify, by signing form HUD-22, Departmental Clearance and Approval Record, that:
 - 1) A Front-End Risk Analysis (pursuant to Handbook 1840.1), if applicable, is prepared or is in the process of development;
 - 2) Materials have been submitted to the Office of Management and Budget (OMB), when required, in accordance with the Paperwork Reduction Act or as may be required by an executive order or by OMB;
 - 3) When applicable, an environmental assessment concludes with a Finding of No Significant Impact (FONSI) or that an Environmental Impact Statement (EIS) has either been completed or is required;
 - 4) Impacts to small entities may require certification under section 605 of the Regulatory Flexibility Act (RFA); and
 - 5) Unfunded federal mandates are identified.
- f. Ensure that directives originated by their office are cleared in accordance with this handbook. Minimum clearance requires concurrence by the Office of General Counsel (OGC), the Office of the Chief Financial Officer (OCFO), the Office of the Chief Information Officer (OCIO), the Office of Inspector General (OIG), the Office of Policy Development and Research (PD&R), the Office of the Chief Human Capital Officer (OCHCO), and additional HUD offices based on the subject matter of the directive;

- g. Identify officials to whom redelegated authority is assigned for execution of HUD-22 forms and other clearance actions on behalf of a HUD Principal; and
 - h. Elevate to the Deputy Secretary resolution of nonconcurrences on policy that were not satisfactorily addressed at the HUD Principal level.
3. The Chief Human Capital Officer redelegates to the Director of the Office of Facilities Management Services (OFMS) authority to:
- a. Assign a departmental DMO (DDMO) to coordinate, monitor, and report on directives activities;
 - b. Advise program offices on requirements of the directives management system, as mandated by this handbook and approve exceptions on a case-by-case basis;
 - c. Maintain a list of DMOs and officials with redelegated authority to sign HUD-22 forms and circulate the list as updates occur;
 - d. Prepare periodic reports on the age of directives, performance by offices in updating directives, timeliness of clearance, use of interim notices, and other directive management provisions;
 - e. Control subject classification numbers and assign office codes within the directives management system;
 - f. Monitor HUD directives through a central tracking system;
 - g. Ensure that each HUD Principal maintains an index of directives; and
 - h. Bring to the CHCO's attention serious handbook violations and/or consistent patterns of noncompliance by offices for remedial action referred to the Assistant Secretary of the offending office or to the Secretary and Deputy Secretary.
4. DMOs as designated by a HUD Principal for each program office shall:
- a. Serve as the point of contact within their office on matters relating to directives;
 - b. Maintain internal clearance procedures to ensure adequate and timely clearance of directives originating within their office or received for review from other offices;
 - c. Ensure office directives conform with system requirements, including requirements for currency, format, plain English, and appropriateness;
 - d. Coordinate graphics, printing, reproduction, and distribution of directives;

- e. Provide technical assistance within their office on directives, to include:
 - 1) Interpreting the application of the directive requirements;
 - 2) Helping originators of directives plan, develop, and coordinate their office directives;
 - 3) Determining appropriate clearance offices; and
 - 4) Assisting in the resolution of nonconcurrences or elevating the matter to the next level of authority for resolution.
- f. Maintain a historical record file of directives originated by their respective offices;
- g. Maintain a master file of pending directives originated by their office, as well as directives from other offices in departmental clearance;
- h. Report problems within the directives management system to the departmental DMO DDMO, including violations or nonuse of the system, and report data for the directives management system; and
- i. Provide an electronic copy of issued directives to the DDMO and to HUDclips managers for publication and distribution.

A-5 HUDclips as the electronic repository of directives and forms: HUD maintains an automated repository of directives and forms available to HUD staff, stakeholders, and the general public consistent with the Presidential Memorandum Electronic Government dated, December 17, 1999.

OCHCO maintains this searchable, on-line database formally entitled HUD Client Information and Policy System and referred to as HUDclips. This or any successor system contains the entire inventory of official HUD policies, including notices, mortgagee letters, handbooks, guidebooks, and forms. Once a directive completes clearance, and is executed by the appropriate HUD Principal, an electronic copy is forwarded to the DDMO and HUDclips managers by the appropriate office DMO. Additionally, a hard copy of each executed directive is sent, if the directive contains graphics or other material that cannot be transmitted electronically.