

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SALARIES AND EXPENSES, HOUSING AND URBAN DEVELOPMENT

BUDGET ACTIVITY 6: FAIR HOUSING AND EQUAL OPPORTUNITY

The consolidated discussion for the appropriation "Salaries and Expenses, HUD" is shown in Part 3 of the Justifications. All data are presented on a comparable basis for fiscal years 2006, 2007 and 2008.

SCOPE OF ACTIVITY

The Office of Fair Housing and Equal Opportunity (FHEO) plays a pivotal role in the success of the Department's strategic goals of ensuring equal opportunity in housing and increasing access to affordable housing free of discrimination. In accordance with its mission, FHEO is responsible for investigating, resolving, and prosecuting complaints of housing discrimination and conducting education and outreach activities to increase awareness of the requirements of the Fair Housing Act. In addition to those strategic goals that have a clear nexus to fair housing, FHEO's work contributes to the achievement of other Department goals - increasing homeownership opportunities, strengthening of communities and community development - and the President's Homeownership Initiatives to increase the number of new minority homeowners by 5.5 million by the year 2010. Minority homebuyers are assured equal access to housing of their choice through fair housing enforcement and education and outreach efforts.

Specific activities carried out by FHEO include implementing and enforcing Title VIII of the Fair Housing Act, Title VI of the Civil Rights Act of 1964, Section 109 of the Housing and Community Development Act of 1974, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Title IX of the Education Amendments Act of 1972, and the Architectural Barriers Act of 1968. FHEO develops and interprets fair housing policy, processes complaints, performs compliance reviews and provides oversight and technical assistance to local housing authorities and community development agencies regarding Section 3 of the Housing and Urban Development Act of 1968.

In addition to enforcement of federal civil rights laws, FHEO staff manages the Fair Housing Assistance Program (FHAP); administer the Fair Housing Initiatives Program (FHIP) grant award process and provides grant oversight to FHIP grant recipients; proposes and reviews fair housing legislation; conducts oversight of Government-Sponsored Enterprises, such as Fannie Mae and Freddie Mac, to ensure consistency with civil rights laws and the fair housing provisions of the Federal Housing Enterprises Financial Safety and Soundness Act; collaborates with federal, state and local government agencies, private industry and fair-housing and community advocates on fair housing issues and the promotion of voluntary fair housing compliance. FHEO also provides technical assistance to every HUD program area through review and comment on Departmental clearances of proposed rules, handbooks, legislation, draft reports, and notices of funding availability for fair housing considerations.

FHEO supports the following Departmental Strategic Goals D: Ensure Equal Opportunity in Housing; E: Embrace High Standards of Ethics, Management and Accountability; and C: Strengthen Communities and the Annual Performance Plan by:

- Increasing the number of fair housing complaints resolved within 100 days;
- Monitoring FHAP agencies to ensure fair and efficient investigation of fair housing complaints;
- Improving case processing and case documenting methods and procedures;
- Enhancing the quality and quantity of fair housing investigations through the training and certification of investigators;
- Monitoring FHIP agencies to ensure efficient and effective use of FHEO funds in improving public awareness through education and outreach, and private enforcement efforts; and

Salaries and Expenses, Housing and Urban Development
Budget Activity 6: Fair Housing and Equal Opportunity

- Increasing housing opportunities to beneficiaries of HUD programs through compliance reviews of HUD recipients using the following civil rights laws: Section 504, Title VI, and Section 109.

WORKLOAD

Comprised of the three broad headquarters functional areas, ten (10) regional offices and thirty-four (34) field offices, FHEO spearheads the Federal Government's efforts to end housing discrimination. FHEO Headquarters functional areas consist of the Office of Enforcement and Programs, the Office of Operations and Management, and the Office of Policy, Legislative Initiatives, and Outreach.

FHEO's Office of Enforcement and Programs manages the nationwide oversight of field enforcement activities including the management and oversight of the FHAP agencies. In addition, the Office of Enforcement and Programs administers the FHIP grant award process and monitors grantees that provide education, outreach and enforcement services to the public. The Office of Enforcement and Programs:

- Establishes national policies that guide investigation and case process under Title VIII and other civil rights authorities;
- Establishes national policies for administering the FHIP and the FHAP;
- Provides legal analysis of state and local fair housing laws for substantial equivalency determinations;
- Conducts civil rights compliance reviews of federally funded housing providers;
- Provides oversight and technical assistance to FHIP grantees that conduct education and outreach activities to educate the public on fair housing rights, increase public awareness, promote partnerships with constituents and develop community and faith-based partnerships; and
- Provides funding and oversight of the Fair Housing FIRST contract under which training and technical assistance is provided to building professionals and others on accessibility requirements to increase the housing stock available for disabled persons.

Through Regional and Field Office Directors, the Headquarters Office of Enforcement and Programs implements programmatic priorities nationwide and coordinates Secretarial initiatives to ensure the maximum positive impact. Regional and field Offices:

- Receive, investigate, conciliate and recommend the issuance of charges of discrimination and Determinations of Non-Compliance for complaints filed under Title VIII and other civil rights authorities;
- Conduct civil rights compliance reviews and compliance reviews under Section 3;
- Monitor FHAP and FHIP recipients to ensure appropriate utilization of funds; and
- Conduct education and outreach programs in communities within their jurisdiction.

In fiscal year 2006, FHEO processed more than two thousand housing discrimination complaints and provided support, and technical assistance to FHIP and FHAP agencies, which processed more than six thousand cases. FHEO has seen a steady increase in the number of housing discrimination cases filed within the past two fiscal years and expects that number to continue to grow as education and outreach initiatives are expanded. The increase in complaints and complaint related work has been absorbed by FHEO staff on top of other important work, such as compliance reviews of public housing authorities, while funded FTEs have steady decreased.

Salaries and Expenses, Housing and Urban Development
Budget Activity 6: Fair Housing and Equal Opportunity

The Office of Operations and Management is the business arm of the organization. It oversees the operations, management, budget, contracts, program evaluation, planning, and administrative functions within FHEO. Further, the Office of Operations and Management provides guidance for the development of FHEO's performance measures as outlined in the Department's Management Plan, the Annual Performance Plan, the President's Management Agenda and Secretarial initiatives. The Office of Operations and Management:

- Develops and implements program management, performance evaluation and planning systems;
- Manages procurement and contract oversight;
- Manages the budget process;
- Plans and develops the Headquarters and Field Management Plans to ensure inclusion of overall priorities, goals and objectives;
- Conducts performance reviews, management controls and vulnerability assessments;
- Coordinates and implements the Government Performance Results Act (GPRA), the 5 year Strategic Plan, the Annual Performance Plan (APP), and the year end Performance and Accountability Report (PAR);
- Develops and coordinates the Management Certification, the preparation of the Commercial Activities Report (OMB Circular A-76) and updates the Catalog of Federal Domestic Assistance;
- Develops and reviews resource and allocation guidelines and employee time report definitions to provide Headquarters direction on indicators of major work accomplishments, tasks included in performing the work, and time required achieving the tasks (TEAM/REAP Reports);
- Coordinates and serves as the FHEO liaison for all audit activities conducted by the Office of Inspector General (OIG) and the Government Accountability Office (GAO);
- Provide information technology technical assistance and maintains case reporting systems, and
- Manages and coordinates human capital initiatives, including succession planning efforts and the identification of skill gaps within the organization.

The Office of Policy, Legislative Initiatives and Outreach oversee the formulation and public communication of fair housing policy, including legislative initiatives and the management of FHEO's education and outreach efforts. The Office is responsible for the Department's fair housing education and outreach programs; provision of technical assistance to the housing industry on fair housing issues; preparation of policy related legislation, regulations, testimony, speeches, press releases and interagency agreements. The Office of Policy, Legislative Initiatives and Outreach:

- Oversees the consistent and accurate communication of all fair housing policy to Congress, Executive Branch offices, agencies and the public;
- Evaluates the effectiveness of FHEO programs and the impact of FHEO's policies and procedures and recommends adjustments, where appropriate;

Salaries and Expenses, Housing and Urban Development
Budget Activity 6: Fair Housing and Equal Opportunity

- Oversees the development of Fair Lending policy including the policies for the oversight of the Government Sponsored enterprises, Fannie Mae and Freddie Mac, for compliance and consistency with the federal Housing Enterprises Financial Safety and Soundness Act and the Fair Housing Act;
- Drafts Fair Housing Annual Reports and Activity Reports with input from non-FHEO program offices to fulfill Congressional mandates; and
- Provides public service announcements, print advertisements, and partner symposiums and conducts home ownership seminars.

Succession Planning Initiative (SPI)

FHEO faces significant staffing challenges that are likely to negatively impact the organization's effectiveness and efficiency. For example, FHEO FTEs have been cut from 779 employees in fiscal year 2002 to 609 employees in fiscal year 2008, which amounts to a reduction in staff of approximately 22 percent in six (6) years. In addition to the FTE cuts already sustained, FHEO expects significant attrition in critical management and staff positions during this fiscal year.

The number of employees eligible for full or partial retirement by fiscal year 2008 represents a potential reduction of 61 percent of FHEO's current workforce. Consequently, FHEO's ability to plan for the future is of critical importance. FHEO's workforce is primarily comprised of Equal Opportunity Specialists (GS-0360); Program/Management Analysts (GS-0343); Equal Opportunity Assistants (GS-0361); Program Assistants (GS-0344); and Clerical Support (GS-0318). Because the job classifications required to carry out FHEO's mission are limited, FHEO has determined that there is a critical level of employees needed to fulfill its mission and maintain its primary functions. As such, FHEO's level of mission critical positions is determined to be 500 FTEs. This level is approximately 82 percent of FHEO's total projected FTE level for fiscal year 2008 of 609 and 65 percent of the level recommended by the Workforce Analysis conducted for fiscal year 2004. The breakdown of FHEO's critical level positions is:

- 5 FHEO HQ Managers (SES)
- Supervisory Equal Opportunity Specialists (GS-0360-14/15)
 - Field 40
 - HQ 5
- Non-Supervisory (GS-0360-09/11/12/13)
 - Field 360
 - HQ 30
- Program/Management Analyst (GS-0343-07/09/11/12/13/14)
 - Field 10
 - HQ 20
- Program Assistants (GS-0344-08)
 - HQ 5
- Equal Opportunity Assistants (GS-0361-07)
 - Field 10
- Clerical/Secretary (GS-0318-05/06)
 - Field 10
 - HQ 5

Based on the critical level, FHEO has identified a total of 273 positions that are currently occupied by employees eligible for retirement by fiscal year 2008. Of the 273 positions, 190 staff positions (non-managerial GS-14 and below) and 83 management/leadership (managerial GS-14 through Senior Executive) are considered critical to the mission of FHEO. Two of four senior executives and all 10 of FHEO's regional directors are eligible or will be eligible for retirement within three (3) years. Many of the non-management positions within the organization, including Equal Opportunity Specialist (EOS), Equal Opportunity Assistants

Salaries and Expenses, Housing and Urban Development
 Budget Activity 6: Fair Housing and Equal Opportunity

(EOAs) and Program Analysts require specialized technical skills associated with effective investigations, and program compliance monitoring essential to the organization's mission of ensuring equal opportunity in housing. FHEO must maintain a workforce that continues to be highly skilled to fully accomplish its mission.

In response to anticipated critical staff vacancies, the Office of Operations and Management is actively involved in human capital management through FHEO's Succession Planning Initiative and involvement in the Department's Workforce Planning Taskforce. FHEO's SPI is designed to fill critical vacancies due to impending retirements. FHEO has completed an assessment of its potential leadership and identified the managerial skill gaps that need to be addressed. FHEO plans to fill skill gaps through rotational assignments, job shadowing and formal training. Because of the large number of retirements in critical management positions, FHEO will also utilize outside training resources to assist in readying the leadership pool for management positions in the near term.

Although FHEO is training existing staff to fill critical vacancies, the shifting of large numbers of staff into leadership and other critical staff vacancies will ultimately create voids at various levels within the organization. Consequently it will be necessary to include external hiring options in the SPI. While some external hires will be sought to fill critical management positions, the bulk of external hires are envisioned to consist of interns (HUD Interns and Presidential Management Fellows) and other entry-level staff. FHEO will then provide those entry-level staff with continuous training to develop the unique skill sets required by FHEO.

FTE

FHEO's mission has been impacted by the reduction of approximately 170 FTE's from fiscal year 2002 to its current authorized level of 609. According to a workforce analysis conducted in fiscal year 2004, commissioned by the Office of Administrative Services, FHEO had an estimated shortfall of 210 FTEs. That shortfall was based on an FTE total of 727 (FTE level at the time of the analysis). Instead of an increase of 210 FTEs for a total of 937, FHEO's FTEs have been decreased to the current level of 609, which represents a net reduction of 328 below the recommended FTE level. The loss of FTEs has resulted in a reduction in the level of service that FHEO is able to provide to its constituency. It has required FHEO to shift resources away from other legislated civil rights work in order to continue efforts to reduce the number of housing complaints investigated and administratively processed within the 100 day time period prescribed by the Fair Housing Act. For example, the reduction of FTEs has compromised FHEO's ability to conduct compliance reviews and provide monitoring and technical assistance to grantees and other constituencies and to provide education and outreach to the public. Further, at the current FTE levels, FHEO is unable to engage in meaningful succession planning.

TRAVEL

The 2008 Budget for FHEO proposes travel funding for headquarters and field staff support FHEO's unique mandates.

	ACTUAL <u>2006</u>	ESTIMATE <u>2007</u>	ESTIMATE <u>2008</u>	INCREASE + DECREASE - <u>2008 vs 2007</u>
	(Dollars in Thousands)			
Travel (HQ)	\$307	\$279	\$339	+\$60
Travel (Field)	<u>924</u>	<u>759</u>	<u>880</u>	<u>+121</u>
Total	1,231	1,038	1,219	+181

FHEO is requesting an increase of \$181,000 in its fiscal year 2008 travel budget. The requested increase is due to FHEO's Succession Planning Initiative; the requirement to investigate and process fair housing complaints more efficiently as prescribed by the Annual Performance Plan; to more effectively provide technical assistance and on-site monitoring of FHAP agencies and FHIP grantees; and to conduct nationwide fair housing education and outreach monitoring and activities.

Salaries and Expenses, Housing and Urban Development
 Budget Activity 6: Fair Housing and Equal Opportunity

Succession Planning Initiative and Training for New Hires. In anticipation of critical vacancies, FHEO has developed a SPI, which identifies a leadership pool of current employees. These employees will be sent on rotational assignments throughout FHEO's Headquarters, Regional and Field Offices, for external training courses and to the National Fair Housing Training Academy (NFHTA) in the District of Columbia. Travel to training locations will facilitate closing skill gaps and the development of skill sets necessary to fill critical leadership positions. New external hires will also receive external training, and new EOS hires will be required to attend and complete certification at the NFHTA.

Enforcement. While the Department's goal of ensuring equal opportunity in housing is a cross cutting goal which spans program areas, it is primarily an FHEO responsibility. As a part of ensuring equal housing opportunities, FHEO is required to investigate housing discrimination complaints and conduct compliance reviews of entities that receive HUD federal financial assistance. Conducting investigations and compliance reviews requires FHEO investigators and program analysts to travel around the nation. FHEO's overarching enforcement goal is to conduct fair and efficient administrative procedures when investigating and resolving fair housing complaints by:

- Increase the number of fair housing complaints closed within 100 days as statutorily required;
- Closely monitoring the performance of FHAPs and provide technical assistance to increase the number of fair housing investigations completed within 100 days; and
- Monitoring FHIP grantees with Enforcement Grants to ensure that HUD funds are used to effectively promote enforcement of fair housing laws.

Education. To improve and increase public awareness of fair housing laws, including accessibility and design and construction requirements, FHEO staff is required to travel for education and outreach activities and to oversee education and outreach efforts by FHIP grant recipients. Because many communities do not have strong state or local legal protections to ensure compliance with the Fair Housing Act, FHIP grantees are funded to reach out and educate the community. FHIP education and outreach grantees hold public events, which includes outreach to faith-based and grass roots community organizations to reach citizens that broad FHEO education and outreach methods may not accomplish. FHEO's goal is that FHIP grantees reach a minimum of 180,000 people and hold at least 300 public events.

CONTRACTS

Figures for the Office of Fair Housing and Equal Opportunity are reflected in this table.

	ACTUAL 2006	ESTIMATE 2007	ESTIMATE 2008	INCREASE + DECREASE - 2008 vs 2007
	(Dollars in Thousands)			
Public Information Services ..	\$11	\$17	\$17	...
Technical Services	487	280	766	+\$486
General Support	189	127	129	+2
Total	687	424	912	+488

Public Information Services. To improve public awareness of fair housing laws and improve housing accessibility for persons with disabilities, FHEO will:

Salaries and Expenses, Housing and Urban Development
Budget Activity 6: Fair Housing and Equal Opportunity

- Continue and expand funding for FHIP grants for education and outreach initiatives. The FHIP initiative includes funding for public service announcements aired nationwide and provides fair housing information via print and radio media.
- Expand and improve FHEO education and outreach materials including brochures, handbooks, pamphlets, booklets, sign and other print and visual media. Contracted services will provide development, print and assembly. All materials will be provided in languages other than English in an effort to reach out to Limited English Proficiency (LEP) communities through the United States.
- Expand and improve other public information services such as distribution of the FHIP Notice of Funding Availability (NOFA) and FHIP work products.
- Create a Clearing House to collect, catalogue and distribute fair housing educational materials developed with HUD funds by FHIP grantees.

Technical Services. Under this component, resources will be used for the following:

- A National Customer Service Center, which will include a centralized call center. Each year, FHEO receives and investigates approximately 80,000 inquiries (both via telephone and email). A large percentage of the inquiries are made by individuals who contact FHEO by calling a nationwide toll-free number. A 2005 GAO study of FHEO's investigative process, which included test calls to Headquarters and several regional offices, found deficiencies in the quality and consistency of intake (the receipt of initial complaints) and complaint dissatisfaction with the intake process. FHEO responded to the study by delivering a detailed plan of action to Congress, which outlined FHEO's intention to establish a National Customer Service Center. The National Customer Service Center will correct quality, consistency, and customer satisfaction deficiencies by centralizing all intake functions and by implementing comprehensive standards and procedures for all levels and modes of communication with potential complainants and others inquiries;
- Architectural Consulting Services to support enforcement requirements related to accessibility and addressing the design and construction guidelines under 42 USC 3604 (f) (5). The services will assist in analyzing design and construction complaints;
- Contract with statistical and analytical experts in insurance and mortgage lending cases to assist in analyzing and investigating complex lending and insurance complaints; and develop investigative policies and procedures;
- Continue funding support for the continuation of interagency agreements with the Departments of Labor, State and others to provide indirect cost reviews and rates for FHIP awardees or provide translations of HUD education and outreach brochures;
- Funding the Mortgage Lending and Accessible Multifamily Housing Initiative - This contract will evaluate multifamily mortgage lending underwriting practices in the primary and secondary mortgage markets for the purpose of formulating and encouraging practices that promote the design and construction of accessible multifamily housing;
- Hire a contractor to conduct a management study of FHEO programs and operations, and develop a strategic plan for future directions of programs and operations;
- Hire a contractor to study the feasibility of competitively sourcing some FHEO job functions as prescribed in the President's Management Agenda; and
- Hire a contractor to review and update revisions to the Title VIII Handbook to provide investigators and program analysts standardized methods for investigation, conciliation and case processing and documenting to enhance the effectiveness and efficiency of the investigation process.

Salaries and Expenses, Housing and Urban Development
Budget Activity 6: Fair Housing and Equal Opportunity

General Support. Funding will allow for continual support for FHEO programs and operational activities. Services provided would consist of court reporting, public service announcements, registration fees, translation cost, on-line information services contracts, developing mortgage lending training curriculum and updated software and advertisements.

Training. FHEO is requesting \$57,000 in training funds. These funds are to provide training to support FHEO's SPI and to ensure a smooth transfer of knowledge as employees retire from the Department.

The training funds requested will be used to provide training opportunities for current employees identified for the FHEO leadership pool and for new hires. New hires will be provided training through the NFHTA and through external training sources such as the USDA Graduate School. Training will be provided in fair housing investigation, case processing, conciliation, compliance reviews, grant monitoring and written and oral communications. Additionally, training in management/program analysis, managerial skills enhancement, leadership development and budget/fiscal management will be provided for employees identified for FHEO's leadership pool.

Salaries and Expenses, Housing and Urban Development
 Budget Activity 6: Fair Housing and Equal Opportunity

FAIR HOUSING AND EQUAL OPPORTUNITY
 Personal Services
 Summary of Change
 (Dollars in Thousands)

<u>Personal Services</u>	<u>FTE</u>	<u>S&E Cost</u>
2006 Actual.....	597.0	61,651
2007 Appropriation.....	609.0	64,712
<u>Changes Due To</u>		
Additional Workdays.....	0	497
2008 January Pay Raise.....	0	1,163
2007 January Pay Raise.....	0	392
Staffing increase/decrease.....	0	0
Other benefit changes.....	0	1,852
2008 Request.....	609.0	68,616

Salaries and Expenses, Housing and Urban Development
 Budget Activity 6: Fair Housing and Equal Opportunity

FAIR HOUSING AND EQUAL OPPORTUNITY
 Summary of Requirements by Grade
 Salaries and Expenses
 (Dollars in Thousands)

	<u>2006 Actual</u>	<u>2007 Estimate</u>	<u>2008 Request</u>	<u>Increase/ Decrease</u>
Grade:				
Executive Level	1	0	1	+1
Executive Service	4	5	4	-1
GS-15	44	54	45	-9
GS-14	97	95	101	+6
GS-13	138	106	141	+35
GS-12	200	236	205	-31
GS-11	6	23	6	-17
GS-10	5	4	5	+1
GS-9	14	9	14	+5
GS-8	3	4	3	-1
GS-7	63	63	65	+2
GS-6	4	5	4	-1
GS-5	7	3	7	+4
GS-4	6	2	6	+4
GS-3	0	0	0	+4
GS-2	1	0	1	+1
GS-1	1	0	1	+1
Total Positions	594	609	609	0
Average ES Salary	145,016	155,403	159,133	+\$3,730
Average GS Salary	81,746	84,342	86,366	+\$2,024
Average GS Grade	11.9	12.0	11.9	- 0.1

Salaries and Expenses, Housing and Urban Development
 Budget Activity 6: Fair Housing and Equal Opportunity

FAIR HOUSING AND EQUAL OPPORTUNITY
 Summary of Requirements by Object Class
 Salaries and Expenses
 (Dollars in Thousands)

<u>Object Class</u>	<u>2006 Actual</u>	<u>2007 Estimate</u>	<u>2008 Request</u>	<u>Increase/Decrease</u>
Personal Services.....	61,651	64,712	68,616	+\$3,904
Travel and Transportation of Persons.....	1,231	1,038	1,219	+181
Transportation of Things.....	0	0	0	0
Rent, Communication & Utilities.....	29	49	50	+ 1
Printing and Reproduction.....	61	25	35	+10
Other Services.....	687	424	912	+488
Supplies and Materials.....	43	35	45	+10
Furniture & Equipment.....	0	0	0	0
Insurance Claims & Indemnities.....	0	0	0	0
Total Obligations.....	63,702	66,283	70,877	+4,594

Salaries and Expenses, Housing and Urban Development
 Budget Activity 6: Fair Housing and Equal Opportunity

**FAIR HOUSING AND EQUAL OPPORTUNITY
 Performance Measurement Table**

Program Mission: The Assistant Secretary for Fair Housing and Equal Opportunity (FHEO) is responsible for administrative enforcement of the Fair Housing Act and ensuring that HUD programs promote fair housing and comply with civil rights laws.					
<u>Performance Indicators</u>	<u>Data Sources</u>	<u>Performance Report</u>		<u>Performance Plan</u>	
		2006 Plan	2006 Actual	2007 Plan	2008 Plan
Increase the percentage of Fair Housing complaints closed in 100 days to 70 percent.	TEAPOTS	60 percent	73 percent	65 percent	70 percent
Ensure appropriate use of funds by monitoring 100 percent of FHIP and FHAP grantees in compliance with cooperative and grant agreements.	MANUAL	100 percent	100 percent	100 percent	100 percent
HUD will conduct 80 Section 504 disability compliance reviews of HUD recipients.	TEAPOTS	80	83	80	80
Conduct 57 compliance reviews or formal monitoring reviews of Voluntary Compliance Agreement either exclusively or concurrently under Title VI and Section 109, and take appropriate corrective action.	TEAPOTS	57	71	57	57
HUD will conduct monitoring and compliance reviews or provide technical assistance under Section 3 to 20 housing authorities.	TEAPOTS	20	22	20	20
Ensure, by increasing agency reporting of Section 3 compliance activities by 10 percent, that training, employment and contracting opportunities are created at Section 3 covered projects for qualifying low- and very low-income residents.	MANUAL	N/A	N/A	10%	10%

N/A= Not Applicable

Explanation of Indicators

The following activities will be supported out of the Salaries and Expenses account.

OBJECTIVE C.2: ENHANCE SUSTAINABILITY OF COMMUNITIES BY EXPANDING ECONOMIC OPPORTUNITIES

- Conduct monitoring and compliance reviews and provide technical assistance under Section 3 to 20 housing authorities and other recipients of HUD financial assistance.
- Ensure, through Departmental cross-program efforts, that training, employment and contracting opportunities are created at all Section 3 covered projects for qualifying low-and very low-income residents.

Recipients of HUD funded assistance covered by Section 3 are considered in compliance with the program's regulations if 1) a minimum of 30 percent of all new hires resulting from a Section 3 covered activity are low-income residents from the local community; and 2) a minimum of 10 percent of construction contracts and/or 3 percent of non-construction contracts are awarded to Section 3 business concerns. Recipients are required to submit annual reports on Form HUD 60002. The form represents a convenient summary of Section 3 compliance regarding training, employment, and contracting. However, many recipient agencies covered by Section 3 are not submitting annual reports, making it difficult to assess and achieve full compliance.

Headquarters staff will ensure that the 60002 data submitted are recorded properly and analyze the submissions to identify overall trends, such as the number of Section 3-covered new hires that are Section 3 eligible residents and the number of Section 3 contracts that are awarded to Section 3 businesses. In addition, staff will determine the percentage of the agencies reporting and compare this to previous years in order to enhance the outreach strategy. Once the fiscal year 2007 data are obtained, the information will be compared to the fiscal year 2006 data to develop incremental goals to create training, employment and contract opportunities for Section 3 residents and Section 3 businesses.

OBJECTIVE D.1: ENSURE ACCESS TO A FAIR AND EFFICIENT ADMINISTRATIVE PROCESS TO INVESTIGATE AND RESOLVE COMPLAINTS OF DISCRIMINATION.

- HUD will close 70 percent of Fair Housing complaints received within 100 days.
- Decrease average complaint processing time by instituting a "triage" method to classify noncomplex cases.
- Train and certify FHEO investigators at the National Fair Housing Training Academy to ensure consistent, efficient and effective investigation and case processing.
- Certify 60 FHEO investigators at the National Fair Housing Training Academy.
- Increase the percentage of Fair Housing Assistance Program (FHAP) complaints in 100 days to 56 percent, excluding recommended cause, pattern and practice and systemic complaints.
- Train and certify FHAP investigators at the National Fair Housing Training Academy to ensure consistent, efficient and effective investigations and case processing.

Salaries and Expenses, Housing and Urban Development
Budget Activity 6: Fair Housing and Equal Opportunity

Increase the number of enforcement agencies rated as substantially equivalent under the Fair Housing Act to a total of 111 agencies in fiscal year 2008.

- Fund two (2) additional FHAPs as substantially equivalent agencies.
- Continue the National Fair Housing Training Academy.

OBJECTIVE D.2: IMPROVE PUBLIC AWARENESS OF RIGHTS AND RESPONSIBILITIES UNDER FAIR HOUSING LAWS.

- Continue FHIP funding in order to expand nationwide education and outreach through grassroots and community and faith-based/fair housing partnerships.
- Funding to combat predatory lending.

OBJECTIVE D.3: IMPROVE ACCESSIBILITY FOR PERSONS WITH DISABILITIES.

- HUD will conduct 80 Section 504 disability compliance reviews of HUD recipients.
- Review public housing agencies and private providers of HUD-assisted housing to ensure that their developments comply with accessibility standards under Section 504 of the Rehabilitation Act of 1973.
- Continue funding of the Fair Housing Accessibility FIRST Program.

OBJECTIVE D.4: ENSURE THAT HUD-FUNDED ENTITIES COMPLY WITH FAIR HOUSING AND OTHER CIVIL RIGHTS LAWS.

- HUD Program offices will conduct limited civil rights monitoring reviews of HUD funded entities and make referrals to FHEO for review and appropriate action.

OBJECTIVE E.3: IMPROVE ACCOUNTAILITY, SERVICE DELIVERY, AND CUSTOMER SERVICE OF HUD AND ITS PARTNERS

- Ensure appropriate use of funds among 100 percent of FHIP and FHAP grantees in compliance with cooperative and grant agreements.
- Monitor program compliance for all grants and conduct in-depth agency specific monitoring for high-risk grantees.

Overall Summary of Fair Housing and Equal Opportunity Staff Requirements

	FTE			Increase + Decrease - 2008 vs 2007
	Actual 2006	Estimate 2007	Estimate 2008	
Headquarters.....	120.0	121.0	123.0	+2.0
Field	477.0	488.0	486.0	-2.0
Total	597.0	609.0	609.0	0.0

Summary of Fair Housing and Equal Opportunity Staff Requirements

	Actual 2006	Estimate 2007	Estimate 2008	Increase + Decrease - 2008 vs 2007
<u>Headquarters Employment</u>				
Fair Housing and Equal Opportunity				
Immediate Office of Assistant Secretary FHEO and FHEO				
DASs	14.0	12.9	12.9	0.0
DAS for Enforcement & Programs	4.2	4.2	5.2	+1.0
Fair Housing Enforcement	33.0	33.0	34.0	+1.0
Fair Housing Grant Programs	20.8	20.8	20.8	0.0
Systemic Investigations	8.0	8.0	8.0	0.0
Office of Policy Legislative Initiatives and Outreach	7.0	7.0	7.0	0.0
Operations and Management Oversight	33.0	35.1	35.1	0.0
Total	120.0	121.0	123.0	+2.0
<u>Field Employment</u>				
Fair Housing and Equal Opportunity				
FHEO Field Guidance and Direction	20.0	20.0	20.0	0.0
FHEO Field Intake Processes	76.2	81.2	81.2	0.0
Fair Housing Complaint Processing	169.2	173.2	173.2	0.0
FHEO Field Compliance Reviews	27.0	27.0	27.0	0.0
FHEO Monitoring of CPD Programs	25.0	27.0	27.0	0.0
FHEO Field PIH Compliance Activities	11.0	11.0	11.0	0.0
FHEO Field Housing Compliance Activities	22.4	22.4	22.4	0.0
Field Fair Housing Initiative Program - FHIP	16.0	16.0	16.0	0.0
Field Fair Housing Assistance Program - FHAP	19.0	19.0	19.0	0.0
Field Program Management and Administrative Support	91.2	91.2	89.2	-2.0
Total	477.0	488.0	486.0	-2.0

Workload Guideline	Workload Indicator	----- Fiscal Year 2006 -----				----- Fiscal Year 2007 -----				----- Fiscal Year 2008 -----			
		Underfunded Workload/ Allocation	Projected Accomplish- ment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplish- ment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplish- ment	Projected Unit Cost (Hrs)	FTE
Headquarters Employment (FHEO)													
Immediate Office of Assistant Secretary FHEO													
Provide Overall Guidance to FHEO Activities in HQ and Field	NA				5.4				5.4				5.4
Immediate Office of GDAS	NA				4.0				4.0				4.0
Office of Field Oversight	Number of FHEO Field Offices		44	217.45	4.6		44	165.45	3.5		44	166.72	3.5
Subtotal					14.0				12.9				12.9
DAS for Enforcement & Programs													
Office of DAS, Enforcement and Programs	NA				4.2				4.2				5.2
Subtotal					4.2				4.2				5.2
Fair Housing Enforcement													
Immediate Office, Director of Enforcement	NA				3.0				3.0				3.0
Title VIII Program	NA				9.0				9.0				9.0
HQ Field Office Title VIII Monitoring/Oversight Reviews	NA				1.6				1.6				2.6
Provide Title VIII Technical Assistance	NA				4.0				4.0				4.0
Develop Program Compliance and Disability Rights Policy	NA				2.4				2.4				2.4
Perform Disability Rights Technical Assistance and Reviews	NA				7.0				7.0				7.0
Fair Housing Assistance Program	FHAP/SE Grantees		107	116.64	6.0		109	114.50	6.0		111	113.29	6.0
Subtotal					33.0				33.0				34.0
Fair Housing Grant Programs													
Immediate Office, Director	NA				2.2				2.2				2.2

Workload Guideline	Workload Indicator	----- Fiscal Year 2006 -----				----- Fiscal Year 2007 -----				----- Fiscal Year 2008 -----			
		Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE
Administer FHIP Grants Management Process	FHIP Grant Applications Reviewed		807	10.31	4.0		807	10.31	4.0		807	10.38	4.0
Manage FHIP Grants Awards Process	FHIP Grants Awarded		102	61.18	3.0		104	60.00	3.0		104	60.46	3.0
Manage Program Standards Activities	NA				5.0				5.0				5.0
Section 3 Program Activities	NA				6.6				6.6				6.6
Subtotal					20.8				20.8				20.8
Systemic Investigations													
Immediate Office of Systemic Investigations	NA				1.0				1.0				1.0
Conduct FHEO Systemic Investigations	NA				5.0				5.0				5.0
Review/Analyze Housing Discrimination Studies	NA				2.0				2.0				2.0
Subtotal					8.0				8.0				8.0
Office of Policy Legislative Initiatives and Outreach													
Immediate Office of the Director	NA				2.0				2.0				2.0
Policy, Legislative Initiatives and Outreach Division	NA				3.0				3.0				3.0
Education and Outreach Division	NA				2.0				2.0				2.0
Subtotal					7.0				7.0				7.0
Operations and Management Oversight													
Immediate Office, DAS, Operations and Management	NA				4.0				4.0				4.0
Provide FHEO System Development Administration and Technical Assistance	NA				8.0				6.1				6.1
Perform FHEO Correspondence Management	NA				4.0				4.0				4.0
Perform FHEO Information Technology Planning and Program Management	NA				3.0				3.0				3.0

Workload Guideline	Workload Indicator	----- Fiscal Year 2006 -----				----- Fiscal Year 2007 -----				----- Fiscal Year 2008 -----			
		Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE
Management & Planning, Director	NA				1.0				4.0				4.0
Perform FHEO Budget Division	NA				4.0				5.0				5.0
Immediate Office of Administrative Services	NA				4.0				4.0				4.0
FHEO Human Resources Management	NA				5.0				5.0				5.0
Subtotal					33.0				35.1				35.1
Headquarters Employment Total					120.0				121.0				123.0
<u>Field Employment (FHEO)</u>													
FHE HUB Guidance and Direction													
Provide overall guidance and direction for Field FHEO activities	NA				20.0				20.0				20.0
Subtotal					20.0				20.0				20.0
FHEO Field Intake Processes													
FHEO Field Intake Process	Number of inquiries entered into TEAPOTS		22,560	7.03	76.2		22,560	7.49	81.2		22,560	7.54	81.2
Subtotal					76.2				81.2				81.2
Title VIII Complaints Process													
Title VIII Complaints Process	Number of Title VIII cases closed during the month		2,578	117.15	145.2		2,578	119.57	148.2		2,578	120.49	148.2
Other Authority Cases	Number of other authority cases closed at the end of the month		1,049	47.59	24.0		1,049	49.57	25.0		1,049	49.95	25.0
Subtotal					169.2				173.2				173.2
FHEO Field Compliance Reviews													
Perform FHEO Field Compliance Reviews	Number of Compliance Reviews closed at the end of the month		91	617.14	27.0		91	617.14	27.0		91	621.89	27.0
Subtotal					27.0				27.0				27.0
FHEO Monitoring of CPD Programs													

Workload Guideline	Workload Indicator	----- Fiscal Year 2006 -----				----- Fiscal Year 2007 -----				----- Fiscal Year 2008 -----			
		Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE
	Number of CPD Grantees administered/ managed during the month		1,202	43.26	25.0		1,202	46.72	27.0		1,202	47.08	27.0
Subtotal					25.0				27.0				27.0
FHEO Monitoring of PIH/Housing Programs													
FHEO Field PIH Compliance Activities													
	Number of PHA's (in inventory) administered/ managed during the month		3,886	5.89	11.0		3,886	5.89	11.0		3,886	5.93	11.0
Subtotal					11.0				11.0				11.0
FHEO Field Housing Compliance Activities													
	Number of 811/202 reviews conducted during the month		1,652	28.20	22.4		1,652	28.20	22.4		1,652	28.42	22.4
Subtotal					22.4				22.4				22.4
Field Fair Housing Initiative Program - FHIP													
	Number of FHIP Grants administered/managed during the month		224	148.57	16.0		224	148.57	16.0		224	149.71	16.0
Subtotal					16.0				16.0				16.0
Field Fair Housing Assistance Program - FHAP													
	Number of FHAP Grants managed during the month		132	299.39	19.0		132	299.39	19.0		132	301.69	19.0
Subtotal					19.0				19.0				19.0
Field Program Management and Administrative Support													
	Provide FHEO General Program Management and Administrative Support in the Field	NA			91.2				91.2				89.2
Subtotal					91.2				91.2				89.2
Field Employment Total					477.0				488.0				486.0
Fair Housing and Equal Opportunity Grand Total					597.0				609.0				609.0

Salaries and Expenses, Housing and Urban Development
Budget Activity 6: Office of Fair Housing and Equal Opportunity

HEADQUARTERS AND FIELD EMPLOYMENT

EXPLANATION OF CHANGES FROM 2006 BUDGET ACTUAL TO 2007 ESTIMATE

The overall FTE level in FHEO increased by 12 from fiscal year 2006 to fiscal year 2007. FTEs funded in fiscal year 2006 were 597 and FTEs to be funded in fiscal year 2007 is 609.

Headquarters Employment

FHEO overall Headquarters FTE level increased by 1 from fiscal year 2006 to fiscal year 2007. Actual FTE usage for fiscal year 2006 was 120 and the requested FTEs for 2007 is 121.

FHEO funded 14 FTEs in fiscal year 2006 and 12.9 FTEs in fiscal year 2007 in the Immediate Office of the A/S for FHEO. This is a decrease of 1.1 FTE for 2007. This decrease is due to shifting of staff to program area.

The Office of Operations and Management Oversight funded 33 FTEs in fiscal year 2006 and 35.1 in fiscal year 2007, an increase of 2.1 FTEs. Increase due to shifting of staff to perform critical functions within the Office of Management.

Field Employment

FHEO overall Field Office FTE level increased by 11 from fiscal year 2006 to fiscal year 2007. FTEs funded in fiscal year 2006 were 477 and 488 FTEs in 2007.

Field Intake Process funded 76.2 FTEs in fiscal year 2006 and 81.2 in fiscal year 2007, an increase of 5 FTEs. Title VIII Complaint Process funded 169.2 FTEs in fiscal year 2006 and 173.2 in fiscal year 2007, an increase of 4 FTEs. FHEO Monitoring of CPD Programs funded 25 FTEs in fiscal year 2006 and 27 FTEs in 2007, an increase of 2 FTEs.

EXPLANATION OF CHANGES FROM 2007 ESTIMATE TO 2008 ESTIMATE

The overall FTE level for FHEO remained at 609 from fiscal year 2007 to fiscal year 2008. However, the Field Office and Headquarters split changes from 121 in Headquarters in fiscal year 2007 to 123 in fiscal year 2008, and field FTEs decreased from 488 in fiscal year 2007 to 486 in fiscal year 2008.

Headquarters Employment

Headquarters Employment increased by 2 FTEs. Office of DAS, Enforcement and Programs funded 4.2 FTEs in fiscal year 2007 and will fund 5.2 in fiscal year 2008 an increase of 1 FTE. Field Office Title VIII Monitoring Oversight funded 1.6 FTE in fiscal year 2007 and will fund 2.6 FTEs in fiscal year 2007.

Field Employment

Field Employment support staff decreased by 2 FTEs, decrease due to attrition.