

**Department of Housing and Urban Development  
FY 2011 Management Action Plan  
Office of the Chief Financial Officer**

<b>FY 2011 Management Action Plan Support Office Component Office of the Chief Financial Officer (OCFO)</b>
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**Section 1: OVERVIEW OF THE OCFO AND MISSION**

**Section 2: OCFO SUPPORT OF THE STRATEGIC PLAN**

- 2.1: Summary of OCFO contribution to relevant goals and outcome measures
- 2.2: Goal/ outcome measure summaries

**Section 3: OCFO ACTIVITIES AND SUPPORT MEASURES**

<i>For the office, provide a summary of the contribution to the Strategic Plan, leadership, office activities, support measures, milestones and other important information. The activities will be different for each Support Office and should be tailored based on each office's needs. Every Support Office will have a Support Office wide and Goal 5 sub-section in Section 3. The information gathered is slightly different than for program activities</i>
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- 3.1: Division A (if needed)
- 3.2: Division B (if needed)
- 3.3: Support Office-wide and Goal 5 activities

**Section 4: BUSINESS OF GOVERNMENT ACTIVITIES (if applicable)**

<i>If needed, describe the "business of government" activities required of this Support Office. The sub-sections will be different for each Support Office and should be tailored to each office.</i>
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- 4.1: Compliance and monitoring
- 4.2: Grants management
- 4.3: Database management
- 4.4: Audit management
- 4.5: Routine processing

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**SECTION 1: OVERVIEW OF SUPPORT OFFICE AND MISSION**

The Office of the Chief Financial Officer (CFO) provides Department-wide leadership and support responsibilities in the practice of sound financial management, in financial systems development and operations, and in the stewardship of public resources. The scope of activity cuts across the entire Department. The CFO advises the Secretary and Departmental leadership on all aspects of financial management.

The CFO ensures that the Department establishes and meets financial management goals and objectives and that the Department is in compliance with federal financial management legislation and directives. The CFO is responsible for the preparation, justification, monitoring, and execution of the Department's annual budget. In addition, the CFO establishes policies and standards for development, maintenance, operation, and evaluation of the Department's financial management systems and systems of internal control. The CFO also provides accounting and reporting services in support of the administrative and general program activities of the Department, prepares the Department's annual consolidated financial statements, and oversees the annual financial statement audit process.

The CFO also has responsibility for overseeing Departmental implementation of the Federal Managers' Financial Integrity Act and the Government Performance and Results Act, including preparation of the annual Performance and Accountability Report (or Annual Financial and Annual Performance Reports). The CFO is charged with coordination of and lead responsibility for achieving the reduction of improper payments. With the exception of the 48 staff at the Fort Worth Accounting Center, OCFO staff are located at HUD Headquarters.

The Office is divided into seven operating units which include:

- The Office of the Assistant CFO for Budget
- The Office of the Assistant CFO for Accounting
- The Office of the Assistant CFO for Systems
- The Office of the Assistant CFO for Financial Management
- The Office of the Appropriations Law Staff
- The Office of the Management Staff
- The Immediate Office of the CFO

Through these offices and the associated functions, it is the mission of the OCFO to help assure the success and sustainability of HUD programs by enforcing sound financial management practices, providing timely and meaningful financial reports, and preventing violations of federal law that might jeopardize or hinder the effective delivery of services.

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**SECTION 2: SUPPORT OFFICE SUPPORT OF THE STRATEGIC PLAN**

**2.1 Summary of contribution to relevant goals and outcome measures (if applicable)**

There are no specific Strategic Plan goals or outcome measures for the OCFO. The OCFO serves as a conduit to the realization of the programmatic goals of the Department.

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**2.2 Goal/ outcome measure summaries**

There are no specific Strategic Plan goals or outcome measures for the OCFO. The OCFO serves as a conduit to the realization of the programmatic goals of the Department.

***2.2.1 Goal 1: Restore strengthen the nation's housing market to bolster the economy and protect consumers***

**Basic beliefs/ impact:** There are no specific Strategic Plan goals or outcome measures for the OCFO. The OCFO serves as a conduit to the realization of the programmatic goals of the Department and will support and partner with the program offices in the achievement of the goals.

***2.2.11 Measure 1a: Assist 3 million homeowners who are at risk of losing their homes due to foreclosure by the end of FY 2011***

Not applicable to OCFO

***2.2.12 Measure 2: Restore FHA's excess capital reserve ratio to the congressionally mandated 2-percent level by 2014***

Not applicable to OCFO

***2.2.13 Measure 3a: Reduce the average residential vacancy rate in Neighborhood Stabilization Program Round 2 (NSP2) investment areas***

Not applicable to OCFO

***2.2.2 Goal 2: Meet the need for quality affordable rental homes***

There are no specific Strategic Plan goals or outcome measures for the OCFO. The OCFO serves as a conduit to the realization of the programmatic goals of the Department and will support and partner with the program offices in the achievement of the goals.

***2.2.21 Measure 4: Reduce the number of households with worst case housing needs***

Not applicable to OCFO

***2.2.22 Measure 5a: Serve 5.46 million families by the end of FY 2011, 207,000 more than in 2009***

Not applicable to OCFO

***2.2.3 Goal 3: Utilize Housing as a Platform for Improving Quality of Life***

There are no specific Strategic Plan goals or outcome measures for the OCFO. The OCFO serves as a conduit to the realization of the programmatic goals of the Department and will support and partner with the program offices in the achievement of the goals.

***2.2.31 Measure 6: Reduce homelessness***

Not applicable to OCFO

***2.2.32 Measure 10: Increase the average income of HUD-assisted households***

Not applicable to OCFO

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**2.2.4 Goal 4: Build Inclusive and Sustainable Communities Free From Discrimination**

There are no specific Strategic Plan goals or outcome measures for the OCFO. The OCFO serves as a conduit to the realization of the programmatic goals of the Department and will support and partner with the program offices in the achievement of the goals.

**2.2.41 Measure 12: Reduce the share of household income spent on the combined costs of housing and transportation in communities that receive assistance from the Office of Sustainable Housing and Communities**

Not applicable to OCFO

**2.2.42 Measure 13: Complete the cost-effective energy and green retrofits of 159,000 public, assisted, and other HUD-supported affordable homes by 2011**

Not applicable to OCFO

**2.2.43 Measure 14: Increase the proportion of HUD-assisted families in low-poverty and racially diverse communities**

Not applicable to OCFO

**2.2.44 Measure 15: Expand the rate of occupied or repurposed Gulf Coast homes in Louisiana, Mississippi, and Texas severely impacted by Hurricanes Katrina and Rita during 2005**

Not applicable to OCFO

**2.2.5 Goal 5: Transform the Way HUD Does Business**

The OCFO serves as a conduit to the realization of the programmatic goals of the Department and will support and partner with the program offices in the achievement of the goals.

**2.2.51 Measure 17: Increase the percentage of HUD partners that are “satisfied” or “very satisfied” with the “Timeliness of Decision- Making at HUD”**

Not applicable to OCFO

**2.2.52 Measure 19: Increase the percentage of employees that “agree” or “strongly agree” they are given a real opportunity to improve their skills in their organization**

The OCFO will review the results of the Federal Employee Viewpoint Survey and develop a corrective action plan to address all low and negative employee viewpoints. Also, we will request an increase in the amount of funds available for staff to attend training.

**2.2.53 Measure 20: Increase the number of decisions delegated to field offices**

Not applicable to OCFO

**2.2.54 Measure 21: Reduce the number of burdensome regulations and reports**

Review all Departmental financial policies, procedures, and handbooks annually to assure accuracy, completeness, and clarity.

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***2.2.55 Measure 22: Reduce end-to-end hiring time***

The OCFO will work with OCHCO to maintain or improve HUD's end-to-end hiring time, improve communication, and remove barriers that create roadblocks to the hiring process.

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**Section 3: OCFO ACTIVITIES AND SUPPORT MEASURES**

**3.1 Division A – not needed**

*3.11 Contribution to Strategic Plan Goals and Outcome Measures*

*3.12 Office/ Division Leader/ Sponsor*

*3.13 Discussion and Scope*

*3.14 Summary of Activities and Measures*

*3.15 Detailed Activity Descriptions and Guidance*

**3.2 Division B – not needed**

**3.3 OCFO-wide and Goal 5 activities**

*3.31 Contribution to Strategic Plan Goals and Outcome Measures*

Goal	Outcome measure	Office Lead	Contribution to outcome measure
5	M19	Management Staff	The OCFO will review the results of the Federal Employee Viewpoint Survey and develop a corrective action plan to address all low and negative employee viewpoints. Also, we will request an increase in the amount of funds available for staff to attend training.
5	M21	FPPD	Review all Departmental financial policies, procedures, and handbooks annually to assure accuracy, completeness, and clarity and to determine the need for revision or cancellation.
5	M22	Management Staff	The OCFO will work with OCHCO to maintain or improve HUD's end-to-end hiring time, improve communication, and remove barriers that create roadblocks to the hiring process.

***Other OCFO Performance Goals and Milestones***

***3.32 Office Leader/ Sponsor***

The Financial Policy and Procedures Division of the Office of the Assistant CFO for Financial Management is the office lead for all Management Action Plan goals and activities.

***3.33 Discussion and Scope***

The OCFO provides critical support to all Program Offices through its budgeting, accounting, systems, and financial management functions. The Office seeks to maintain an accurate and

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efficient operation so as to provide Program Offices with needed resources in a timely and useful fashion.

In its oversight capacity, the OCFO seeks to assure that the Program Offices have sound internal controls and that the programs and goals are sustainable.

**3.34 Summary of Activities and Measures for Goal 5**

<b>Goal/ sub- goal</b>	<b>Office lead</b>	<b>HIPRS code</b>	<b>Key activities (inputs into column 4 in Section 2 table)</b>	<b>Support measures (or Management Plan Performance Goals from previous years' MAPs)</b>	<b>FY 2011 Target</b>
<b>Measure 19: Increase the percentage of employees that “agree” or “strongly agree” they are given a real opportunity to improve their skills in their organization</b>					
Goal 5  Measure 19	OCFO  Management Staff		<ul style="list-style-type: none"> <li>• Review results of the Federal Employee Viewpoint Survey.</li> <li>• Form team comprised of a staff member from every OCFO Division to make recommendations to Office Director.</li> <li>• Request increase in training funds.</li> <li>• Require managers to collaborate more on the development of ITAPs.</li> <li>• Announce in staff meetings the availability of training funds.</li> <li>• Revamp the IDP process which requires supervisory/employee involvement in identifying and meeting employee career goals.</li> </ul>		
<b>Measure 21: Reduce the number of burdensome regulations and reports</b>					
Goal 5  Measure 21	ACFO-FM/  FPPD		Review and update or cancel (as needed) all agency financial management policies, procedures, and handbooks as identified in the Inventory of financial policies and procedures annually, to assure continued relevance, accuracy, and clarity.	Percentage of Inventory reviewed	100%

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<b>Goal/ sub- goal</b>	<b>Office lead</b>	<b>HIPRS code</b>	<b>Key activities (inputs into column 4 in Section 2 table)</b>	<b>Support measures (or Management Plan Performance Goals from previous years' MAPs)</b>	<b>FY 2011 Target</b>
<b>Measure 22: Reduce end-to-end hiring time</b>					
Goal 5	OCFO		Maintain support of OCFO hiring processes by operating with continued accuracy and efficiency.		
Measure 22	Management Staff				

**3.35 Detailed Activity Descriptions for Goal 5**

*For each activity, provide a detailed description, contributing/ casual factors (optional), support measures, milestones and other important information. This information will provide sufficient guidance/explanation for staff to understand and execute the activity*

*-- Contributing and causal factors (optional): Describe some of the important factors associated with each specific activity*

*-- Support measures: Same as in summary table 3.34*

*-- FY2011 targets and milestones: Same as in summary table 3.34*

*-- Required collaboration and dependencies: The critical collaboration and resource needs are the important dependencies/ needs that require outside assistance to accomplish some of the key activities. These are defined as the important dependencies/ needs that require assistance from outside the Support Office to accomplish some of the key activities. The key focus is on the necessary collaboration/ needs with other HUD programs, support offices, regions, and external partners such as state housing authorities and resource requirements outside the normal scope of the Support Office or region (e.g., personnel, travel). May also include other dependencies (e.g., IT support to combine data sources and create algorithms, OGC support to ensure legal requirements are met, appropriations as necessary).*

The following activities support Goal 5 across programs and have not been described in previous support office activities:

*A. [Activity name]*

[Narrative]

*Contributing and causal factors (optional)*

**TBD**

[Narrative]

*Support measures*

**TBD**

*FY2011 targets and milestones*

**TBD**

*Required collaboration and dependencies*

**TBD or none required**

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Office Lead	OCFO Performance Goals
ACFO-FM/ FCAD	In accordance with the Improper Payments Information Act of 2002: a) Initiate and complete the FY 2011 risk assessment for HUD's non-RHAP programs; and b) Complete HUD's FY 2010, and initiate HUD's FY 2011 RHAP error measurement estimates;
ACFO-FM/ FCAD	Review all new and revised Funds Control Plans, and perform cyclical compliance reviews of one-third of approved Plans to ensure effective administrative control of funds by September 30, 2011.
ACFO-FM/ ALD	Ensure timely management decisions on 95% of OIG audit recommendations issued to HUD's field offices where the OCFO serves as the cross-servicing Field Audit Liaison Officer(s). Provide oversight and coordination, and management reports to the program offices to facilitate their timely completion of their Management Decisions.
ACFO-FM/ ALD	Coordinate the timely completion of all CAP milestones scheduled for completion during FY 2011 that are needed to eliminate auditor or management reported material weaknesses and/or significant deficiencies, or issues disclosed in the OIG's Management Letter, resulting from the annual consolidated financial statement audit work. Target completion date: September 30, 2011.
ACFO-DM/ RMD	Direct HUD's Internal Controls over Financial Reporting assessment process for HUD's General Programs and coordinate the completion of independent Internal Controls over Financial Reporting assessments for Ginnie Mae and FHA and monitoring the progress of correcting any cited deficiencies under these reviews to support the Secretary's annual FMFIA Statement of Assurance. Milestones include: a) during Q1, review responses to the annual Internal Control Assurance Statement data call and roll them up into the Secretary's assurance statement for the annual <i>Performance and Accountability Report</i> ; b) during Q1, Q2, and Q3, issue data calls to update the status on Significant Deficiencies, Management Challenges and Non-Compliance with Laws and Regulations as identified during previous year's financial statement audit and review responses; c) during Q4, issue memorandum to request annual Internal Control Assurance Statements for each program area.
ACFO-FM/ FPPD	Timely distribute the monthly OCFO reports. For each month, milestones include: a) issue data call by the 1 <sup>st</sup> calendar day of the month; b) issue reminder email day before contributor due date; and c) provide DCFO with draft email message and reports one day prior to scheduled distribution date to principals.

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Office Lead	OCFO Performance Goals
ACFO-FM/ FPPD	<p>Coordinate and timely respond to exposure draft requests (FASAB, CFO Council, OMB).</p> <p>For each request, milestones include:</p> <ul style="list-style-type: none"> <li>a) issue data call with timeline for responses within two business days of receipt of request for comment;</li> <li>b) present draft agency response to DCFO at least two business days prior to due date; and</li> <li>c) submit agency response or request extension on or before due date.</li> </ul>
ACFO-FM/ FPPD	<p>Coordinate timely agency publication of Government Performance and Results Act annual reports as specified in OMB Circular A-136 (PAR/AFR/Summary of Performance and Financial Information). Milestones include:</p> <p>Milestones:</p> <ul style="list-style-type: none"> <li>a) develop PAR/AFR completion schedule for PAR/AFR and Financial Audit Timeline;</li> <li>b) issue CFO memo to notify principals of timeline and to solicit names of PAR/AFR Coordinators by March 31;</li> <li>c) issue data call for vignettes and success stories by July 1;</li> <li>d) establish style protocols by August 31;</li> <li>e) prepare draft MD&amp;A in accordance with Financial Audit and PAR/AFR timeline;</li> <li>f) obtain samples and make recommendation on cover design by October 31;</li> <li>g) distribute draft for comments in accordance with timeline;</li> <li>h) distribute final draft for principals' sign off in accordance with timeline; and</li> <li>i) finalize, including publishing online, PAR/AFR/Summary of Performance and Financial Information, and submit timely to President, OMB, and Congress in accordance with OMB guidance provided in their Circular A-136.</li> </ul>
ACFO-FM/ FPPD	<p>Timely submit HUD PAR (or AFR and APR) for CEAR award including CEAR application and copies of the report(s) in accordance with the Association of Government Accountants program requirements.</p>
ACFO-FM/ FPPD	<p>Review all agency financial management policies, procedures, and handbooks as identified in the Inventory of financial policies and procedures annually.</p>

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Office Lead	OCFO Performance Goals
ACFO-FM/ FPPD	<p>Coordinate and timely submit OCFO MAP goals and progress updates by due date. Milestones include:</p> <ul style="list-style-type: none"> <li>a) issue annual data call to determine OCFO MAP goals for the coming year five business days prior to Departmentally established due date;</li> <li>b) coordinate responses and prepare submission for DCFO review two days prior to Departmental due date;</li> <li>c) issue periodic (monthly or quarterly) data calls for progress updates ten business days prior to Departmental due date; and</li> <li>d) submit periodic OCFO progress updates to system by Departmental established due date.</li> </ul>
ACFO- Accounting	<p>Maintain “Green” on the Chief Financial Officer’s Council Metric Tracking System, as reported by OMB. The nine financial management indicators are:</p> <ul style="list-style-type: none"> <li>1) Fund Balance with Treasury;</li> <li>2) Amount in Suspense Greater than 60 Days Old;</li> <li>3) Delinquent Accounts Receivable from Public Over 180 Days;</li> <li>4) Electronic Payments;</li> <li>5) Percent Non-Credit Card Invoices Paid on Time;</li> <li>6) Interest Penalties Paid;</li> <li>7) Travel Card Delinquency Rates – Individually Billed Accounts;</li> <li>8) Travel Card Delinquency Rates – Centrally Billed Accounts; and</li> <li>9) Purchase Card Delinquency Rates.</li> </ul>
ACFO- Accounting	<p>Continue to produce quarterly financial statements in FY 2011 to strengthen HUD’s financial management discipline and better enable timely issuance of HUD’s annual audited financial statements within 45 days of fiscal year end. Target completion date: 21 days after each quarter end.</p>
ACFO- Accounting	<p>Timely close HUD’s FY 2010 books, and prepare HUD’s annual financial statements with adequate supporting documentation to enable HUD to receive an unqualified audit opinion on the annual financial statements. Target completion date: November 15, 2010.</p>

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Office Lead	OCFO Performance Goals
ACFO-Systems	<p>By the end of FY 2016, HUD will have an enterprise-wide financial system that is compliant with all laws and regulations. OCFO will complete the following milestones in FY 2011, which will support the transition of OCFO systems to the new COTS financial system in FY 2012 as well as maintain the current operations:</p> <ol style="list-style-type: none"> <li>1) contract administration including review, comment and acceptance of contract deliverables;</li> <li>2) project management milestones and deliverables;</li> <li>3) liaison, oversight, Subject Matter Experts and direction to SI/SSP resource team during the implementation stages of the SDM work throughout the year;</li> <li>4) identification, award, and task execution of other support contracts needed for HIFMIP success;</li> <li>5) deliver new accounting classification structure and protocols for interfacing systems to use;</li> <li>6) security administration including compliance testing; and</li> <li>7) operational reports and reconciliations on schedule to meet department commitments.</li> </ol>
ACFO-Budget	<p>During FY 2011, the Resource Estimation and Allocation Process/Total Estimation and Allocation Mechanism/Corrective Action Plans (REAP/TEAM/CAPS) will complete five milestones:</p> <ol style="list-style-type: none"> <li>1) Using REAP/TEAM data to support the FY 2012 budget request;</li> <li>2) Develop a computer based training (CBT) module to assist Program Areas in establishing and monitoring their FY 2011 FTE allocation plans;</li> <li>3) Use TEAM/CAPS to assist in assessing human resource needs and making hiring decisions during FY 2011;</li> <li>4) Refresh the REAP baseline in select program areas in FY 2011, as funding permits; and</li> <li>5) Incorporate the OCFO's Personal Services Cost Module into the CAPs. This model simplifies the process of estimating personal services expenses and managing to the payroll.</li> </ol>
ACFO-Budget	<p>Timely submit budget requests to OMB and Congress that focus on performance outcome and efficiency measures and actual performance and policy proposals to support budget resource decisions aligned with HUD's strategic goals and objectives.</p>

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**Section 4: BUSINESS OF GOVERNMENT ACTIVITIES**

*If needed, describe the business of government activities required of this Support Office. The sub-sections will be different for each Support Office and should be tailored to each office.*

**4.1: Compliance and monitoring**

The Risk Management Division in the Office of the ACFO for Financial Management performs A-123 risk assessments and monitors compliance with the Federal Managers Financial Integrity Act.

The Funds Control Assurance Division in the Office of the ACFO for Financial Management reviews and maintains an inventory of Funds Control Plans for the Department. This Division conducts compliance reviews of the Program Offices Funds Control Plans to ensure funds are spent as intended. They also investigate and report on compliance with the Anti-Deficiency Act.

**4.2: Grants management**

The Office of the ACFO for Systems provides one aspect of grants management by operating the Line of Credit Control System (LOCCS), which is the system through which grantees draw down their funds.

**4.3: Database management**

The Office of the ACFO for Systems manages the core financial system for the Department including the financial data mart.

**4.4: Audit management**

The Audit Liaison Division serves as a clearing house for all audits and monitors progress on audit recommendations received as a result of the annual financial audit, Single Audit Act audits, and Government Accountability Office audits. The Risk Management Division monitors corrective actions as a result of audit findings.

**4.5: Routine processing**

The Office of the ACFO for Accounting routinely processes all accounting transactions and performs routine processes such as the analysis of general ledger activity, and reconciliations of subsidiary to the general ledger.

The Office of the ACFO for Budget routinely processes budget execution transactions.