

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Salaries and Expenses Overview

SALARIES AND EXPENSES

(Dollars in Thousands)

	2022*	2023			2024		
	Actuals	Carryover	Enacted	Total	Carryover	President's Budget	Total
Personnel Services:							
Personnel Services	1,267,274	60,508	1,371,309	1,431,817	39,318	1,565,742	1,605,060
Common Distributable	7,941	-	9,141	9,141	-	8,341	8,341
Total, Personnel Services	\$1,275,215	\$60,508	\$1,380,450	\$1,440,958	\$39,318	\$1,574,083	\$1,613,401
Non-Personnel Services:							
Travel	5,289	1,315	13,047	14,362	977	11,588	12,565
Transportation of Things	34	-	1,807	1,807	-	1,920	1,920
Rent and Utilities	121,623	4,436	119,898	124,334	5	129,301	129,306
Printing	819	138	1,384	1,522	13	1,558	1,571
Other services/Contracts	115,729	25,482	130,940	156,422	8,492	135,460	143,952
Training	5,787	2,228	8,910	11,138	1,118	9,845	10,963
Supplies	1,027	92	1,994	2,086	62	2,106	2,168
Furniture and Equipment	10,559	8	7,863	7,871	-	7,912	7,912
Claims and Indemnities	339	-	1,198	1,198	-	1,173	1,173
Total, Non-Personnel Services	\$261,206	\$33,699	\$287,041	\$320,740	\$10,667	\$300,863	\$311,530
Working Capital Fund	61,012	11,857	45,488	57,345	9,836	49,394	59,230
Carryover	106,064	-	59,821	59,821	-	3,660	3,660
Grand Total	\$1,703,497	\$106,064	\$1,772,800	\$1,878,864	\$59,821	\$1,928,000	\$1,987,821
FTEs	7,500	343	7,759	8,102	214	8,421	8,635

*Includes 2021 Carryover.

*Totals in chart and associated narrative include GNMA and exclude OIG and Information Technology Fund. Totals in chart may not add due to rounding.

SALARIES AND EXPENSES OVERVIEW

HUD's operational infrastructure related to people, processes, and technology remains a top priority of the Department. Funding to support HUD's operations is essential to successfully meet the demands of the continually increasing workload. The 2024 President's Budget continues to support and expand on the investments proposed in 2023 in the areas of staffing and Information Technology (IT) modernization to best manage and reduce risks associated with this growth.

The 2024 Budget requests \$1.9 billion for HUD salaries and expenses (S&E), an increase of \$155.2 million from the 2023 enacted level. The Budget reflects total S&E (carryover and new authority) of \$1.99 billion, which is \$109 million above 2023 total funding. HUD's mission is critical to achieving the President's bold vision to ensure our Nation can build toward a brighter future where everyone can live in a safe and stable home in communities that are thriving and just. Investing in HUD's S&E will support HUD's ability to do its essential work improving the

quality of life for the American people and addressing challenges our Nation faces, ranging from climate change to housing discrimination to ending homelessness.

Staffing

The 2024 President's Budget (with carryover) supports a total of 8,635 full time equivalents (FTEs) which is an increase of 533 over estimated total 2023 levels. The 2024 funding level seeks to maintain the staffing gains achieved during the last three years in addition to the planned growth in 2023. HUD's successes since 2020 in increasing staffing levels have been crucial to addressing critical needs, including monitoring, compliance and technical assistance for the Department's programs, and other areas of responsibility, as well as tackling the systemic issues inside the Department that occurred over the previous two decades as the result of the steady decline in staffing. In addition, staffing gains achieved have begun making an impact on HUD's operations. For instance, the Administrative Support Offices have realized the following recent successes:

- Maintained a clean Financial Audit for two years in a row.
- Executed 2,246 procurement actions (equal to a five percent increase year-over-year) and obligated more than \$1.4 billion dollars in support of HUD's mission and programs.
- Supported the initiatives of the Administration by exceeding all prime small business contracting goals.
- Increased on-time execution of all procurement actions by 10 percent.
- Developed HUD's first Anti-Harassment policy (AHP), which was touted by the Equal Employment Opportunity Commission (EEOC) as a model policy within the Federal Government.
- Achieved "Advanced" rating on the Office of Personnel Management (OPM) Chief Human Capital Officer Evaluation System in three areas, reaching premiere status: Communication, Leadership Involvement, and Data. OPM has previously only cited GSA, NASA, and the Department of State as premiere agencies.
- Achieved a net gain in hiring employees at the Department for the third year in a row.
- Decreased the time to hire to tentative offer by 6 percent.
- Reduced storage usage in the Federal Records Center by 320 thousand cubic feet generating a savings of \$1.6 million per year.
- Reduced deferred maintenance backlog by \$3.5 million over the past two years.
- Completed construction of a model workspace that will serve as a template for future renovations in the Weaver Headquarters Building.

However, continued staff growth is essential to address not only the Department's increasing workload but also build on the successes listed above. Using workforce succession strategies, the Department intends to ensure that additional staffing results in the right people allocated to the right jobs, providing the biggest impact toward achieving HUD's priorities. The staffing increases achieved in 2024 will help deliver on the Department's priorities:

- Supporting Underserved Communities: HUD will fortify support for underserved communities and support equitable community development for all people.
- Ensuring Access to and Increase the Production of Affordable Housing: HUD will ensure the housing demand is matched by adequate production of new homes and equitable access to housing opportunities for all people.
- Promoting Homeownership: HUD will promote homeownership opportunities, equitable access to credit for purchase and improvements, and wealth-building in underserved communities.
- Advancing Sustainable Communities: HUD will advance sustainable communities by strengthening climate resilience and energy efficiency, promoting environmental justice, and recognizing housing's role as essential to health.
- Strengthening HUD's Internal Capacity: HUD will strengthen its internal capacity

and efficiency to better ensure delivery of HUD's mission.

The requested funding in 2024 also supports a cost-of-living increase of 5.2 percent.

Account Structure

To realize efficiencies and flexibilities, the Budget requests the consolidation of the Office of the Chief Administrative Officer (OCAO), Office of the Chief Human Capital Officer (OCHCO), and Office of the Chief Procurement Officer (OCPO) into a single funding line under the Office of Administration (OA). Consolidation of the three offices will achieve unity of effort in administrative support activities while maximizing resources necessary to support the Administration's goals and objectives. Harmonizing the efforts of the three offices toward achieving common goals and objectives will reduce duplication of effort and improve efficiency.

Legislative Proposal

The 2024 Budget proposes General Provision Section 230 to authorize a Nonrecurring Expenses Fund (NEF). The NEF would permit HUD to transfer unobligated balances of expired discretionary funds from 2024 and subsequent years into the NEF account. This proposal requests the authority to authorize the use of such funds for capital acquisitions necessary for the operation of the Department, to include information technology, facilities, space configuration, and building modernization and maintenance.

Reorganization and Realignment

To better align and maximize our existing resources, gain efficiencies and more effectively deliver on HUD's mission, the following offices are proposing reorganizations in their individual Congressional Justifications:

- Office of General Counsel
- Office of Chief Information Officer
- Office of Departmental Equal Employment Opportunity
- Office of Chief Financial Officer
- Office of Public and Indian Housing
- Office of Housing
- Office of Fair Housing and Equal Opportunity
- Office of Community Planning and Development

Working Capital Fund (WCF)

The Budget proposes two new business lines for incorporation into the WCF: Scanning and Digital Archiving and Space Renovation and Furniture. In addition, a re-proposal for the incorporation of End-User Information Technology Devices and Wireless Support is also included in 2024.

Scanning and Digital Archiving services includes scanning of documents and assignment of metadata for archiving and records, standardized and secured digital asset management, and consistent services from trained Records Managers who oversee and administer related activities. This service complements the WCF's Records Management service line by providing options for HUD Customers to store and maintain their records.

The proposed Space Renovation and Furniture service will be provided to program offices in the Weaver Building and associated National Capital Region Satellite office and supports our move to a more flexible and hybrid working environment. By efficiently using the WCF to deliver this service,

HUD can achieve the following objectives: cost transparency, funding flexibility, and oversight of operations.

IT end-user devices and wireless support are comprised of hardware purchases of standard and high-end laptops, mobile phones, iPads, and MiFis, and include the associated voice and data plans. Moving IT end-user devices and wireless support to a WCF model provides several benefits: improved planning and funds management around long-term IT investments, improved operational efficiency by allowing customers to make business decisions surrounding the devices their offices need, and enhanced cybersecurity through regular device refreshes.

Information Technology (IT) Fund

The Budget requests \$415 million for the IT Fund. Within this request, \$374 million supports the Operations and Maintenance of current IT systems and applications that support HUD's mission and administrative functions, and its IT infrastructure, such as computer hardware, network and communications, support services, enterprise software licenses, and cybersecurity. The IT Fund Budget excludes funding for computers, mobile equipment, and related voice and data for Departmental users that are part of HUD's Working Capital Fund request. The technology provided through the IT Fund promotes affordable rental housing, provides access to homeownership opportunities, creates healthier home environments, and reduces homelessness.

The Budget includes \$41 million for critical new initiatives for Development, Modernization, and Enhancement to support the Department's strategic goals and strengthen HUD's internal institutional capacity to deliver on its mission. These new investments improve delivery of services, digitize manual processes, and promote the stewardship of taxpayer dollars. The Budget invests in projects that have enterprise-wide impact as well as program specific initiatives that support modernization efforts within the Offices of Community Planning and Development, Public and Indian Housing, FHA/Housing, and Fair Housing and Equal Opportunity.

The Budget continues to build on prior investments in cybersecurity and supports critical ongoing initiatives such as Zero Trust and Enterprise Identity Credential Access Management. These investments enable HUD efforts to implement a comprehensive cybersecurity program that addresses critical security deficiencies related to cyber risk management, the operating environment, governance, and data protection.